

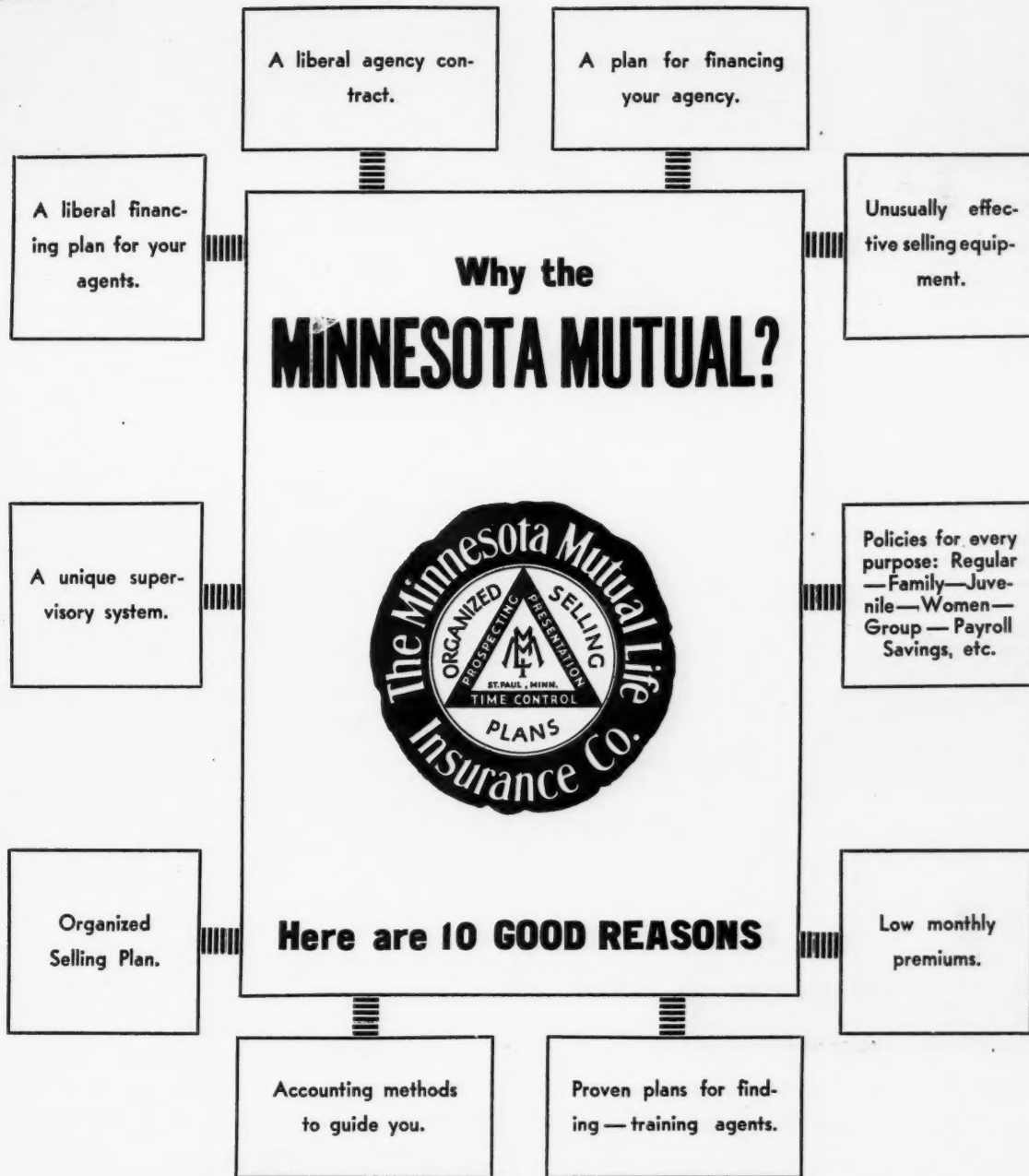
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Life Insurance Edition

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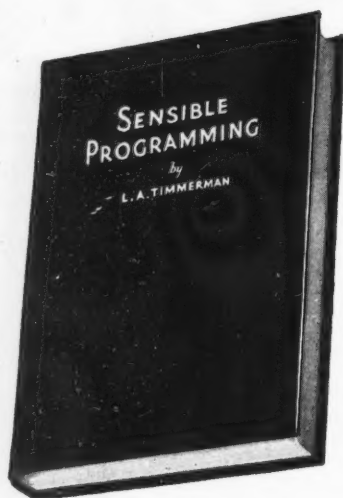


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 Saint Paul, Minnesota

FRIDAY, JULY 14, 1939

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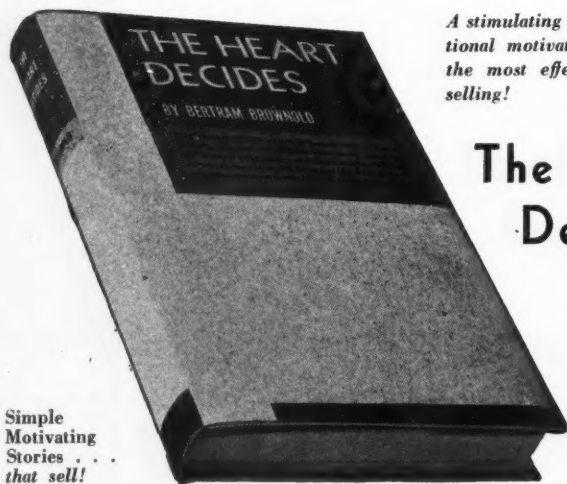
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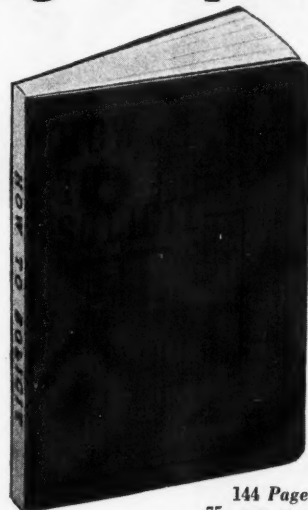
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The NATIONAL UNDERWRITER

Forty-third Year—No. 28

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, JULY 14, 1939

\$3.00 Per Year, 15 Cents a Copy

Limit on Federal Loan Competition Is Asked of TNEC

Plight of Institutional Lenders Is Told in Hearings on Construction

WASHINGTON—Vice-president F. W. Ecker of Metropolitan Life was a witness before the construction hearings of the Temporary National Economic Committee. Mr. Ecker testified on the success of Metropolitan's low cost housing project at Long Island City as demonstrating that private enterprise can build large-scale housing projects to serve low income classes and can do so at a financially satisfactory return.

The project was constructed with the aim of providing housing to rent at \$9 per room per month and was aided by exemption of the building, but not the land, from taxation for 10 years. Present rents, Mr. Ecker testified, average \$8.77 a room.

Henry Bruere Testifies

Henry Bruere, President Bowery Savings Bank of New York City and formerly a vice-president of Metropolitan, declared in his testimony that facilities for financing home construction are adequate and that there should be no extension of the Federal Government's participation in the mortgage lending field.

"If we are going to continue to function under the system of private profits the basic thing that is necessary for the functioning of that system is to make decisions as to the reasonably desirable area in which that system may function with social advantages and then to accord just as much freedom of initiative as sound accepted social standards permit."

Employing "Idle Capital"

The committee's examiner, J. J. O'Connell, special assistant general counsel of the Treasury Department, directed his questioning to bring out possible ways of stimulating home construction as a means of drawing on reservoirs of idle capital. Said Mr. Bruere:

"You must be aware that you can't saturate the economy with any particular type of new development merely because the government puts a velvet dress on it. There must be a limit."

Morton Bodfish, executive vice-president United States Building & Loan League, also protested against any further invasion of the mortgage lending field by the government. He said that one thing that is holding back home building is the continual agitation about public housing which gives the impression that this type of housing will be made available for working people who ordinarily build and own their own homes.

Idea of "Rump" Convention Is Advanced in the East

Some of the eastern commissioners have discussed the idea of holding a "rump" meeting of the eastern group and commissioners of other states that see eye to eye with the easterners on the convention examination issue. The idea of holding such a conference originated after the San Francisco convention of the National Association of Insurance Commissioners. At that meeting, a coalition of western and southern commissioners, numbering 23, out voted the easterners at every point.

Some of the easterners feel that if the temper of future national conventions resembles that of the San Francisco gathering the east will have practically no influence. In the past few years a number of the sparsely populated states that were previously never represented at the convention, have been attending the meetings. The departments of those states, it is said, have in recent years come into funds with which to pay the expenses of convention trips, through the operation of the convention examination system. These states add such strength to the western and southern coalition that some of the easterners feel that there can be no chance of causing the eastern position to prevail.

Appeal to Public Sentiment

Some of the eastern leaders believe that the only weapon they possess is their ability to appeal to public sentiment to discredit an onerous and costly examination procedure.

At least one of the commissioners, Harrington of Massachusetts, is publicly holding out the threat of federal supervision of insurance. During the debate at San Francisco on the examination question, he said that if federal supervision is coming, he is content to have it set up under the Roosevelt administration.

Much interest will now be taken in the attitude of Pink of New York. At San Francisco, he agreed to accept a compromise that represented a substantial concession on his part. The compromise proposal was one that was made by Palmer of Illinois. It was that a four zone examination system be substituted for the present six zone plan. Pink agreed to this proposal. In effect he said: "All right, I'll take three outside examiners but I won't take five."

Drops Subsidiary Proposals

Mr. Pink had proposed a four zone plan and coupled with that were additional proposals governing qualification of examiners and their remuneration. Palmer induced Pink to refrain from insisting upon the qualification and stipend portions of the proposal and to accept the four-zone plan. At the meeting of the examinations committee, the vote stood six to six on this compromise program. Yetka of Minnesota, a member of the committee, was not present, but a Minnesota deputy was there and it was decided that he had a vote. He voted with the easterners in favor of the four zone compromise plan, making the vote seven to six. Then Read of Oklahoma, chairman of the committee, cast his vote with the east, making it eight to six. However, at the final session on the

floor of the convention a minority report was presented and the four zone plan was rejected by a vote of 24 to 14.

Pink went a long way, observers believe, in agreeing to take the four zone plan and when his offer of a compromise was rebuffed in decisive and acrimonious manner, the question is how he will now proceed. If the western and southern group insists upon enforcing the six-zone plan upon New York and sends numerous examiners into New York companies, a collision may occur. Pink makes full use of all avenues of publicity. In undertaking to get his position before the public, he would be most effective, every one appreciates.

In company circles generally throughout the country there is disappointment at the results of the San Francisco convention on the examination issue. Even those company executives throughout the west and south who bear some resentment toward the New York department for its extra territorial policies and are not displeased to see New York meet an occasional rebuff, feel that the western and southern group acted unwisely in crushing the examination compromise plan.

H. J. Johnson Names Group to Study SEC Proceedings

Special authorization has been obtained from the trustees by Holgar J. Johnson, president National Association of Life Underwriters, to appoint a special advisory committee of five members from the trustees and past presidents of the National association to make a complete study of the implications contained in the testimony presented at the recent and subsequent hearings of the Temporary National Economic Committee (monopoly committee) and their relationship to the membership of the National association and the agency system.

An analysis of the recorded transcript is being made for consideration by the committee at its first meeting which will be held at an early date to determine procedure. The committee will have before it suggestions and comments which are being received from the officers and the members of the local associations.

In authorizing the committee, the board also placed in its hands the authority to take such action as deemed necessary.

Mr. Johnson, who will act as chairman of the special committee, has appointed the following to serve with him: Charles J. Zimmerman, national vice-president; Harry T. Wright, Equitable Society, Chicago, national secretary and chairman of the committee on life insurance information; C. Vivian Anderson, Provident Mutual, Cincinnati, past president and chairman of the committee on law and legislation; and, Julian S. Myrick, Mutual Life, New York, past president and chairman of the commit-

Public Unworried by TNEC Inquiry Into Insurance

Business Hard to Get But Not Because of Probe, Agents Say

NEW YORK—Inquiry among typical producers here reveals that the hearings on life insurance which the Securities & Exchange Commission has been conducting before the Temporary National Economic Committee have so far produced no perceptible reaction among prospects and clients. Furthermore, since New York City is even more subject to the jitters than other sections of the country and since the two leading New York papers played up the investigation far more than the rest of the country's newspapers, which were dependent on what the wire services sent them, it can be pretty well assumed that there is even greater apathy, if possible, among the insuring public outside of New York City.

The fact that the public here has taken so little interest in the federal investigation is the more remarkable in view of the fact that sales have probably never been so difficult to consummate as right now because of the summer season and depressed business conditions. Agents might well be tempted to blame this sales resistance on the investigation, but they do not do so. Instead, they attribute it mainly to generally bad business conditions, which are in turn due to uncertainty as to what the Washington administration will do that will affect business generally.

While the investigation was on the New York "Times" and "Herald Tribune" carried approximately a column each day. Their accounts were in the main accurate, though of course it was impossible not to reflect the fact that the companies were being put on the rack. The Associated Press and other services carried routine accounts on some of the days but made no attempt to give detailed coverage.

MIDWESTERNERS INDIFFERENT

According to a brief survey made in Chicago, middle westerners, both policyholders and prospects, are refusing to become excited against the insurance business because of the SEC monopoly investigation at Washington.

Although many companies have armed their agents with answers to probable questions, agents report that people are just not asking questions about it.

Among the reasons ascribed to this apparent apathy or lack of interest in the investigation are that the general

(CONTINUED ON LAST PAGE)

tee on cooperation with the United States Chamber of Commerce.

Arbitrary Mortality Table Suggested by Koeppe

In line with action of the special committee of the National Association of Insurance Commissioners recommending use of a modern mortality table on a permissive basis comes the suggestion of A. J. Koeppe, assistant actuary Union Central Life, that an arbitrary scale be constructed with only general regard to actual experience.

It would be constructed in such a way that a sufficient difference between expected and actual mortality would exist so there would be a satisfactory cushion to take care of temporary high mortality due to epidemics and to other causes; to give low cash and other non-forfeiture values, and still to be safe as a valuation standard; and to make it possible to construct a practical dividend scale.

In commenting on his suggested table, Mr. Koeppe said:

"If such a table is constructed for the use of participating companies, it may not be suitable for the use of non-participating companies. In considering this question I have had in mind strictly participating insurance, hoping that others better qualified will discuss this question as it affects non-participating insurance.

Does Not Reflect Present Mortality

"That the American experience table does not reflect present-day mortality rates, nobody will deny; in fact, it is impossible to construct a table which would indicate accurately the current mortality rates age by age. A new mortality table should be constructed from the mortality experience of past years; but the experience changes from year to year due to many factors such as advances in medical science and improvements in general health conditions, which are influenced by meteorological and other natural phenomena, and also by economic conditions.

"Furthermore, the term present-day mortality has little meaning unless it is further qualified as to the class or classes of people among which such mortality is experienced. If we determine the average mortality rates among the general public in the United States, such table would not represent the mortality in certain sections nor that of insured lives of any life insurance company.

"If we study the mortality experience among insured lives and combine for this purpose the experience of a number of companies, such table will not reflect the experience of any particular company accurately.

"I mention these very obvious facts only because articles written and speeches made lately on this subject by persons without actuarial training seem to indicate that many believe that a mortality table reflecting present-day mortality experience is something that may become reality.

Agitation Dates Back Many Years

"The first serious agitation to discard the American experience table dates back as far as 1911 when a committee of the National Convention of Insurance Commissioners recommended the construction of a new table. In 1918, after the Actuarial Society had published the American men table and the Canadian men table, this question was taken up again, but nothing was done about it as it could not be clearly demonstrated that either of these tables would be superior—for the purpose of calculating premiums and non-forfeiture values—to the American experience table.

"Since that time a number of states have adopted the American men table as an alternate valuation standard. Nobody can quarrel with such provision of the law as long as the American men table is not imposed upon the companies as a compulsory standard.

"I have always felt that companies

should have greater leeway than they have in determining non-forfeiture values. After all, policy reserves are only average values and, while they are no doubt useful in determining the total reserve liability of the company, they are a very poor measure of the real equity which an individual policyholder has in his contract.

"Anyone who is interested in this phase of the question will profit by studying the methods used in Great Britain where only a very small cash value is guaranteed, and where larger cash values are paid if general conditions warrant.

Two Erroneous Ideas Exist

"As far as I can tell, two erroneous ideas are in the minds of those who recommended a new mortality table.

"One is that it may lower the net cost of insurance to the public; and the other is that it will, in some mysterious way, make it easier to compare the underwriting results of different companies.

"If a scientific dividend formula is used to determine the participation of each policy in the divisible surplus of the company, a change in mortality tables will not affect the net cost of insurance in any way, except that if higher non-forfeiture values than the present ones result, the continuing policyholders will have to pay the difference in some form or other. If the percentage differences between the expected mortality and the actual mortality vary very greatly at different ages, as it is the case for the American experience table, a strictly scientific application of a dividend formula will result in dividend scales that are not practicable, because the dividends may decrease with longer durations of the policy.

"From this standpoint a mortality table which represents at least approximately the same percentage of the actual experience from age to age would be preferable; but, of course, no such table could be constructed that would be applicable to all companies at any given time and would retain this relationship from year to year.

Company Comparisons Not Possible

"The belief that a new table could be found which would be practicable and make it possible to compare the mortality experience of one company with that of another, or the mortality experience in different years for the same company by simply quoting one figure of actual to expected death losses, as it is done now in the present gain and loss exhibit, is still more absurd, because such table would not only have to reflect accurately present-day mortality, but would also have to be constructed on a strictly select basis.

"Under our present method of paying commissions to agents, a select table could hardly be used for calculating premiums and cash values, even if all companies would adopt the preliminary term standard of valuation, as first-year commissions are, in most companies, paid out of the very large mortality profits during the first few years of the duration of the policy arising from medical selection.

"It is claimed that the public would have greater confidence in the practices of life insurance companies if a more modern table was used. Such statement would infer a belief that the average layman could understand without serious study the technicalities of a life insurance policy. I, for one, feel that this will never be possible. Any attempt to explain matters of this kind to the public in so-called 'non-actuarial language' is doomed to failure, as technical matters cannot be fully and clearly explained without using technical terms.

To attempt to boil down the multitudinous transactions, results, and other features that make one company differ

from another, to one single figure or even a few figures, is just as impossible as to tell a good story by one word, or to condense a whole book into one sentence.

"If the American experience table is to be discarded, a new mortality table must, of course, be constructed. If we were to construct such a table from actual experience, we would have to study this new table very carefully to see whether it is a practical table for calculating dividends; whether the table furnishes a suitable valuation standard; and whether or not the cash values and other non-forfeiture values arising from such table are such as the companies would want to adopt.

"Careful consideration of the last point in particular is important, as it may easily happen that a new mortality table will give much longer extended insurance periods than are provided for

in present-day contracts, unless the companies are permitted to use a heavily loaded net single term premium to determine the period of such extended insurance. Under existing insurance laws of most states, such loaded single premiums may not be used. To substitute automatic premium loans for extended insurance would be no solution, as there are many serious objections to the general adoption of automatic premium loans.

"For some time I had an idea as to what could be done to construct a suitable mortality table, but as my solution was not very scientific, I have never had the temerity even to mention it; but since, at the recent meeting of the Actuarial Society in Swampscott, Mass., one of the members of the society made a similar suggestion, I feel that my idea is perhaps not as absurd as it appeared to me at the first glance."

Nippon Life Comments on Japanese Conditions

The report of the Nippon Life of Osaka, Japan, is of interest in view of the war in China. New policies last year amounted to 700,473,500 yen and death claims 29,213,625 yen, the mortality ratio being 77.3 percent. The table used is Dr. Fujisawa's Japanese population mortality table No. 2. The total insurance in force at the end of last year was 3,065,115,752 yen, increase 562,893,883 yen. The premium income was 116,113,569 yen, increase 20,920,305 yen. The interest rate averaged 5.23 percent and expense ratio 18.1 percent. In speaking of war conditions the Nippon Life says:

Economic Structure Strengthened

"On looking over the general financial condition in Japan during 1938 we readily recognize the gradual strengthening of the war-time economic structure in consequence of the progress of the China conflict. The Japanese government had to add to the budget the great sum of 8,000,000,000 yen for the purpose of continuing the conflict against the anti-Japanese, and pro-communistic kuomintang policy. In order to accomplish the smooth absorption of public loans to the amount of 5,600,000,000 yen and also to increase the productive power of industry, the government made a great effort to encourage savings by means of the national thrift campaign looking forward to the anticipated goal of 8,000,000,000 yen in 1938. With the progress of the China conflict, which has developed into a new stage of activity, there appeared an increased need of securing a sufficient quantity of staple goods, the encouragement of export trade, and the restriction of rising prices for commodities.

Friction Was Caused

"At the end of the first half of the year, the mobilization plan of the materials was revised and the general economic control was accordingly strengthened. This caused friction between the industries of war and those of peace. The money market was likewise affected and remained at a standstill, throughout the year. But the people were able to overcome the difficulties caused by the emergency and the financial circles were able, on the whole, to maintain their stability. These facts show clearly the keen patriotic spirit prevailing throughout the nation and also the wonderful strength of the country's economic structure. Thus, the military operations in China were enabled to enjoy an unbroken series of successes throughout the whole period, not to speak of Suchow and Canton, which were completely reduced in May and October respectively, and the fall of Hankow which came soon after. It is most gratifying to witness that the Japanese government made an unprecedented declaration regarding the establishment of a new order in east Asia hand in hand

with the newly born Chinese governments and the government of Manchoukuo.

"Under these circumstances, the life companies responded to the national cause by rendering loyal services behind the guns in various forms, such as paying an enormously large amount of death claims for those who were killed in action, subscribing to a very large amount of new issues of government bonds and making investments in conformity with the requirements of the national policy. These circumstances gave rise to some difficult problems in the management of the life companies. But we were successful in securing a very large amount of new business, owing to the increase of the national income and a big rise in savings and deposits throughout Japan. And we were fortunate in being able to increase the insurance contracts. Thus, the total amount of new business written by the 33 companies in Japan from January to November, 1938, exceeded 3,748,000,000 yen, being an increase of 699,000,000 yen in comparison with the previous year's record. The total amount in force at the end of November, 1938, aggregated over 19,529,000,000 yen, showing a net increase of more than 2,690,000,000 yen over the figures at the beginning of the year.

Increases Were Shown

"Under these our company determined to make a still greater effort to emphasize the use of life insurance to the public, in order to accomplish our aim to bring the total amount in force in our company up to 3,000,000,000 yen, as it was the last year of the 8th quinquennial settlement. Our new business amounted to over 700,400,000 yen, which was an increase of 162,000,000 yen over the previous year. We are glad to record that we surpassed the goal of 3,000,000,000 yen at the end of November, one month earlier than anticipated. The net increase during the year exceeded 562,000,000 yen, making a gain of more than 40 percent in comparison with that of the previous year. Moreover, we paid death claims of more than 5,400,000 yen for persons killed in action. In spite of this fact, the ratio of actual deaths against the expected mortality was an increase of only 6.1 percent, and the expense ratio to the premium income showed a decline of over 8 percent below that of the previous year.

Investment Yield Satisfactory

"In regard to our investments, we are glad to report a satisfactory yield of 5.23 percent, notwithstanding the prevailing low interest rates in the money market. The total assets at the end of the year amounted to 554,739,145 yen, which means that the foundation of the company is stronger than ever."

Equitable of Iowa Production Clubs Meet in New York

High Lights of the Convention That Lasted Four Days

NEW YORK CITY — Production Clubs convention of the Equitable Life of Iowa, attended by more than 400 agents and agency heads, met here this week. Joint sessions of the agency and president's clubs, which are the junior and senior clubs for agents, and of the Organization Club, which is the club for agency heads, were conducted Tuesday and Wednesday. Members of the President's and Organization Clubs remained in session throughout the next two days.

The joint sessions emphasized the convention theme, "The Life Insurance World of Tomorrow," and were featured by addresses by H. S. Nollen, chairman of the board; F. W. Hubbell, president; R. G. Hunter, vice-president and actuary; E. E. Cooper, assistant superintendent of agencies, and A. Freeman Mason, a member of the Philadelphia agency. Ray E. Fuller, superintendent of agencies, presided at all sessions.

Officers Installed

Mr. Fuller installed the following officers of the clubs who had earned their ranks by production and conservation efforts during the 1938 qualifying year:

President's Club—R. O. Claypool, Philadelphia, president; R. H. Sheldon, Los Angeles, vice-president; Alex Van Zanten, Grand Rapids, secretary.

Agency Club—J. M. Utter, Seattle, president; A. R. Crawford, Chicago, W. F. Crawford agency, vice-president; S. L. Ford, St. Louis, secretary.

Organization Club—H. S. Bell, general agent, Seattle, president; P. B. Rice, general agent, Harrisburg, vice-president.

Mr. Bell introduced five new agency heads attending their first convention in that capacity—H. S. Brownlee, Pittsburgh; H. P. Cooley, Boston; E. J. Cross, Syracuse; F. W. Durkee, Buffalo; and E. V. Reed, Wichita.

Awards Were Made

Vice-president Hunter presented awards to 152 agents and agency heads who, during the calendar year 1938, had excelled in matters of conservation of business, and awards of silver service were presented by A. S. Anderson, manager of the service section, to 15 members of the Equiowa One-A-Week Club, who had attained one-a-week production records of from 200 to 900 weeks during the year ending July 1. Additionally, Mr. Anderson gave special recognition to two members of the Equiowa One-A-Week Club who had completed 1,000 weeks of club production—Ben Bloch, agent, Peoria, and A. C. Pfaff, general agent, Griffin, Ingram & Pfaff agency, Chicago.

The first session closed with an address, "The Equitable Life of Iowa of Tomorrow," by F. W. Hubbell, president, wherein he charted the broad outlines of the course it will follow during the years ahead.

Honor Group Were Guests

Members of the "Order of WOIF," an honor group composed of those agents who as of June 30 of the current year had completed production requirements for membership in the 1940 Agency Club, were guests of officers at a reception. At the Production Clubs banquet Mr. Fuller, who presided, pre-

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Federal Income Tax Is Raised to 18%

Low Interest Yields Make Boost of Little Immediate Importance

WASHINGTON—Changes in the federal income tax law make the rate for life companies 18 percent instead of 16 percent. This is the same as for other corporations. However, because of the low interest yield this increase is not a matter of immediate practical importance to life companies in general.

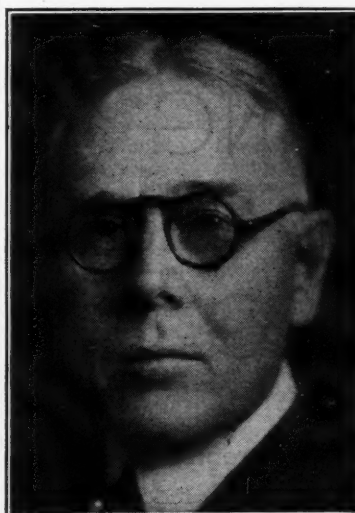
The 18 percent rate applies to companies having a net taxable income of \$25,000 a year and up and is at a lower rate for smaller annual incomes.

Federal income tax, in the case of life companies, is not based on premiums, since these are analogous to putting money in a bank which is later to be drawn out. Income is regarded as being what is obtained from interest, dividends, and rents, with a certain deduction for investment expense and also a deduction equivalent to 3 3/4 percent of the average reserve during the year in the case of reserves computed on a 3 3/4 percent interest assumption or less. In case a higher assumption is used, the deduction is based on that figure. The new 18 percent rate does not apply to the current year but only to taxable years beginning after Dec. 31, 1939.

Must Apply Value to Premium

The Rhode Island department has issued an order that effective July 31 the cash surrender value of life policies that lapse must be loaned automatically to be used to pay premiums, unless the policyholder in writing selects one of the other options of settlement. The de-

Wings Sprouting



C. A. CRAIG, Nashville, Tenn.

C. A. Craig of Nashville, Tenn., chairman of the board of the National Life & Accident, is scheduled by those who peer into the political skies to be headed for the presidency of the American Life Convention. The annual meeting will be held in the Edgewater Beach Hotel in Chicago the first week of October. Mr. Craig has served faithfully and usefully on the executive committee and in point of service and seniority he is entitled now to sit in the chief executive's chair.

partment contends that this procedure is required by a law that was passed in 1934, providing that such loans shall be made at 6 percent interest.

Insurance Section of A. B. A. Delves Into Coverages

Many Phases Discussed, State and Federal Regulation, Taxation Examined

SAN FRANCISCO—New coverages received a decided boost, life insurance taxation was criticized, state and federal regulation were mentioned, unauthorized insurance was rapped, lay insurance adjusters were analytically discussed, in fact almost every form of insurance was talked about at the annual meeting of the insurance section of the American Bar Association Monday, Tuesday and Wednesday.

Crowded round table meetings—eight in all—were all going at once. In each meeting provisions, coverages, legal opinions, decisions and personal opinions were discussed with a seriousness that reflected intense interest on the part of the legal lights of the business. Practically all of the papers included instruction regarding forms and policies. Many of these discussions included material for the active selling agent and broker.

L. P. Kristeller Presides

The section met Monday afternoon with L. P. Kristeller, Newark, presiding.

F. V. Keesling, president West Coast Life, San Francisco, in welcoming the membership, had many a genial comment concerning the glories of his city and the west in general, pointing out that the Spanish predecessors and ancestors from whom some features of civil law have been left, left also a somewhat prodigal spirit of open house which was prevalent in the days when the "gringo" first came.

Striking a serious note, he pointed out that insurance counsel as a rule are inclined to disregard technicalities if it may be done in justice to all.

"We must be alert to the fact that as lawyers we are quite naturally conservative. It is the conscious or subconscious influence of stare decisis which is so essential to 'uniformity, certainty and stability.' However, we must not be hide-bound. Equity is the outgrowth of unswerving adherence to form."

S. L. Carpenter, Jr., former California commissioner and now manager Pacific Board of Fire Underwriters, spoke in place of R. B. Goodcell, former commissioner, who was on the program. He talked briefly on his observations as commissioner and the value of such meetings for attorneys practicing in the insurance field. Secretary H. C. Spencer followed with his report and in order came reports of the standing committees.

Best, McKelvy Give Talks

These were followed by the address on "Insurance Horse Sense and Economic Nonsense" by A. M. Best, and "Aviation and Insurance Law" by W. R. McKelvy, Seattle.

Tuesday was the day of Round Table meetings and Wednesday afternoon the chairmen of these divisions submitted reports based on Tuesday's proceedings.

The round tables, in addition to marine, compensation, and automobile were accident and health presided over by V. J. Skutt, Omaha; casualty with H. D. Combs, Baltimore, chairman; life insurance and fraternal insurance, a joint meeting presided over by J. F. Handy,

(CONTINUED ON PAGE 8)

A Californian's Impatience

In what respects has life insurance salesmanship been improved during the last fifteen years or so? At least four completed improvements:—Organized sales talks, direct mail and effective literature, time control, and training. Two still in the making.—Further elimination of the part-timer in urban territories, and sharper recruiting and helpful terms of employment of new underwriters.

The worth of organized sales talks years ago was demonstrated.

Direct mail has evolved into a profitably dependable aid to the underwriter.

Time control governs prospecting, sales talks, desk work, soliciting, servicing, study, and other things.

Training teaches the use of the first three, and, through General Agencies, and by mail, is directed by expert instructors working in and from the Home Offices.

The fifth and sixth improvements are well on their way, the sixth being the most difficult of solution.

These changes have made possible the recent statement of a Californian not many months an underwriter: "I had never known before that there was a business where a man, going to bed at night, waited with impatience for the morning to come, so that he could see more prospects and sell more business."

* * *

THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY
Chairman of the Board

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

SHIELDING Means More Than SELLING

The 3,500 Shield Men who represent this Company in the field are more than salesmen. They are skilled service representatives of a "Service" Company.

They advise with their prospective policyholders in the preparation of financial futures, and the application is only the beginning of National service.

They call in person for the collection of premiums if this is a more convenient plan for the policyholder or the premium payer.

In all transactions involving policies in force these Shield Men are nearby to give personal attention.

Yes, there is much more to the Life Insurance business than mere selling. Selling **begins** National service.

The
**NATIONAL LIFE
AND ACCIDENT
Insurance Company, Inc.**

C. A. GRAIG, Chairman of the Board C. R. CLEMENTS, President
HOME OFFICE NATIONAL BLDG.
NASHVILLE TENNESSEE

Million Dollar Group Numbers 91; Briton Tops List

Paul C. Sanborn, Connecticut Mutual, Boston, chairman of the Million Dollar Round Table, announces that applications for membership in this year's group already have been accepted from 91 producers, of whom 35 are qualifying and life members; 20 are qualifying and 36 are life. N. F. Lowndes of London, England, with attested volume for his qualifying period of June, 1938 to May, 1939, of \$4,227,431, written on 58 cases, is the largest producer of the group. Herewith are the names of the 91:

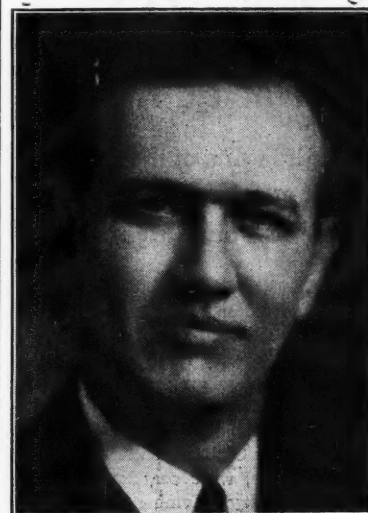
Qualifying and life members: Dr. Charles E. Albright, Northwestern Mutual, Milwaukee; C. Vivian Anderson, Provident Mutual, Cincinnati; Edward L. Arthur, independent, Tampa; Daniel Auslander, Massachusetts Mutual, New York; Louis Behr, Equitable Society, Chicago; Thomas K. Carpenter, Northwestern Mutual, New York; John E. Clayton, Mutual Benefit, Newark; Paul W. Cook, Mutual Benefit, Chicago; Lowell D. Crandon, independent, Newark; Arthur K. Deutsch, State Mutual, San Francisco; Paul H. Dunnavan, Canada Life, Minneapolis; S. Henry Foreman, Mutual Life, Chicago; Isaac Kibrick, New York Life, Brockton, Mass.; Eugene M. Klein, Northwestern Mutual, Cleveland; Felix U. Levy, Penn Mutual, New York; Maurice Linder, Travelers, Brooklyn; N. F. Lowndes, London; Max M. Matusoff, Mutual Benefit, Cleveland; Ben S. McGivern, Northwestern Mutual, Eau Claire, Wis.; John Morrell, Equitable Society, Chicago; Henry G. Mosler, Massachusetts Mutual, Los Angeles; Robert C. Newman, New England Mutual, St. Louis.

Also Lowell L. Newman, Penn Mutual, Fort Wayne, Ind.; Alfred J. Ostheimer, 3rd, independent, Philadelphia; Harold S. Parsons, Travelers, Los Angeles; Harold L. Regenstein, Massachusetts Mutual, New York; Marvin Sherman, Equitable Society, Los Angeles; J. W. Shoul, Mutual Life of New York, Newburyport, Mass.; Harry Steiner, Equitable Society, Chicago; Henry C. Stockman, independent, Newark; James M. Stokes, New England Mutual, Philadelphia; John O. Todd, independent, Chicago; Malcolm D. Vail, independent, Chicago; Harry T. Wright, Equitable Society, Chicago; Harry M. Wuertzenbaeher, Penn Mutual, St. Louis.

Qualifying members: Harry J. Baker, Bankers National, Boston; O. S. Carlton, Jr., Great Southern, Houston; Frank B. Falkstein, Aetna, San Antonio; Frank P. Fonville, Phoenix Mutual, Oklahoma City; W. T. Gwaltney, Southland Life, Fort Worth; Dwight G. Johnson, independent, Philadelphia; I. Austin Kelly, 3rd, Phoenix Mutual, White Plains, N. Y.; Herbert R. Ketzner, Metropolitan, West Brighton, Staten Island; Michael G. Kletz, John Hancock, New York; John R. Mage, Northwestern Mutual, Los Angeles; Cornelius J. McCole, Mutual Life, Wilkes-Barre, Pa.; Max Moch, Sun Life, Akron; F. R. Olsen, Northwestern Mutual, Minneapolis; Roderick Pirnie, Massachusetts Mutual, Providence; Jules J. Polachek, New England Mutual, Pittsburgh; Frank R. Rollinger, independent, Sioux Falls, S. D.; Sidney Salomon, Jr., Equitable Society, St. Louis; Carey Selph, Great Southern, Houston; Loren D. Stark, Connecticut Mutual, Houston; Burton F. Vessey, Provident Mutual, Minneapolis.

Life members: Herbert F. Austin, New York Life, Patchogue, L. I.; W. Lester Brooks, Jefferson Standard, Charlotte, N. C.; Philip F. Broughton, independent, New York; Manning P. Brown, Equitable Society, Philadelphia; Dana C. Clarke, independent, New York; Ralph L. Colby, Franklin Life, Indianapolis; William O. Cord, Penn Mutual, Dayton; R. U. Darby, Massachusetts Mutual, Baltimore; Harry I. Davis, Massachusetts Mutual, Atlanta; Julius M. Eisendrath, Guardian Life, New York; James E. FitzGerald, Fidelity Mutual, San Jose, Cal.; Cecil Frankel, Equitable Society, Los Angeles; J. Douglas Freeman, Equitable Society, Baltimore; Adolph E. Gillman, Northwestern Mutual, Cincinnati; Fred L. Goldstandt, Equitable Society, New York; Max Hemmendinger, Mutual Benefit, Newark; J. Frank Holmes, independent, Indianapolis; Wallace H. King, Mutual Benefit, Lima; Herman Kramer, Penn Mutual, Chicago;

Life Underwriter Membership Is at New High



JOHN A. WITHERSPOON

NASHVILLE — John A. Witherspoon, general agent for John Hancock Mutual, chairman of the membership committee of the National Association of Life Underwriters, has been informed that as a result of the annual membership drive by his committee, closing June 30, membership in the association has reached an all-time high of 27,137. The previous record was 26,854 for 1937. The total in 1938 was 26,094. Congratulatory wires were received from President Holgar J. Johnson and Assistant Managing Director Maxwell Hoffman.

Other members of the committee are H. Kenneth Cassidy, San Francisco; W. W. Hartshorn, Hartford; Sam R. Hay, Birmingham; Ernest C. Hoy, Newark; Preston C. Manning, Florence, S. C.; and W. V. Moody, Chicago.

Mr. Witherspoon is a candidate for vice-president of the association.

Rowland F. Mellor, Mutual Benefit, New York; Sigourney Mellor, Provident Mutual, Philadelphia; Joseph H. Reese, Penn Mutual, Philadelphia; Theodore M. Riehle, Equitable Society, New York; Lester A. Rosen, Union Central, New York; Louis G. Rude, Mutual Benefit, Newark; William E. Sander, Mutual Life of New York, Seattle; Thomas M. Scott, Penn Mutual, Philadelphia.

Also Caleb R. Smith, independent, Asheville, N. C.; Stuart F. Smith, Connecticut General, Philadelphia; Eugene B. Stinde, Northwestern Mutual, St. Louis; J. E. B. Sweeney, Equitable Society, Huntington, W. Va.; Grant Taggart, California-Western States, Cowley, Wyo.; Harold L. Taylor, Mutual Life, New York; Dix Teachenor, Kansas City Life, Kansas City; Sam R. Weems, Minnesota Mutual, Weslaco, Tex.; and J. Hawley Wilson, Massachusetts Mutual, Oklahoma City.

Contest Business Proves to Be of Average Quality

ST. LOUIS—New business secured in sales contests varies little in quality as compared to regular business, a survey by the General American Life indicates.

Business submitted during President's Month, 1938, was analyzed on the basis of non-taken ratios and rejections. These results were then compared with a similar study of business submitted during the last six months of that year.

The contest business showed a 14 percent non-taken ratio while the average on business during the last half of the year, exclusive of contest business, was 12.7 percent.

From an underwriting standpoint the contest business made a better showing, since its ratio of rejections was only 5.3 percent by number of policies as against 6.8 percent for the non-contest volume the last six months of 1938.

Decries the Orgy of Great Spending

A. M. Best Points Out Danger to the People's Morale

Alfred M. Best of New York City in his talk before the insurance section of the American Bar Association at San Francisco, made the following observations about the psychology and morals of the prodigious spending and giving on part of the federal government:

"Just a word about the psychology and



ALFRED M. BEST

morals of all this prodigious spending and giving. It has always been my personal opinion that the average American is self-respecting and wants to be self-supporting. He does not want to be the recipient of charity in any form; but I was a good deal more sure of this a few years ago than I am today. It seems to me that the millions of people who have been giving and are still receiving something for nothing, or for a good deal less than it is worth—at the expense, of course, of all the workers who produce all the wealth—cannot fail to be weakened thereby.

Effect on Others

"Another phase bearing on the psychology of the whole movement that to me is very interesting is that those responsible for this glorious spending spree appear to be so wrapped up in what they are trying to do for the least thrifty and least responsible elements of our population that they completely fail to appreciate what this does to others. Briefly, they seem to have no idea of where they are headed. In their solicitude for debtors they have no time for sympathy for the creditor. This is well illustrated by a statement in the report of the HOLC that in refinancing mortgages which it took over it scaled down the indebtedness of the borrowers about two hundred millions. The Farm Loan Agency mentions proudly a similar item of sixty-nine millions. Now this, of course, means that the whole \$269,000,000 was lost to the people to whom it was legitimately due.

Going Beyond Their Means

"It seems to me also of doubtful morality to give people houses and other things which they cannot afford, and which at the outset must be financed at a loss to the producing part of our population, and then from year to year support them by additional contributions of tax payers' money. For example: The Rural Resettlement Administration has spent \$33,000,000 building three towns in which people of low income are expected to live. These will accommodate about three thousand families, which means an

average cost per family of \$11,000. Doubtless it is very nice for these three thousand families to get living quarters at rentals representing a small percentage of what is reasonable, but it does not seem in harmony with either morality or "Horse-Sense." Some day—and soon—all this must stop, and then a lot of people are going to feel that they are being gypped because, forsooth, they are required to pay their own way thereafter."

New N. A. L. U. Booklet Issued

A booklet on "Life Insurance Information," newest in the series on "Suggestions on Running a Life Underwriters Association," has been issued by the National Association of Life Underwriters. It describes the possible development of local committees on life insurance information and outlines the steps to be followed.

Will Have New Building

OMAHA—Construction is scheduled to begin Sept. 1 on the new \$500,000 Mutual Benefit Health & Accident and United Benefit Life building on 33rd and Farnam streets here, company officials announce. Demolition of the building which now occupies the site will begin Aug. 2, and the new building is to be completed before Aug. 1, 1940. It is to be a five story building, air cooled.

Expresses Objection to Proposed Assignment Form

George R. Schreiner of Akron, O., writes as follows regarding the proposed uniform assignment blank suggested by the American Bankers Association and the Association of Life Insurance Counsel:

"As a life insurance underwriter, I can see several points in favor of the policyholder. However, there are some parts of the proposed form that are entirely out of order, such as paragraph D, which reads:

"This assignment is made and the policy is to be held as collateral for any and all liabilities of the undersigned, or any of them, to the assignee, either now existing or that may hereafter arise in the ordinary course of business between any of the undersigned, and the assignees."

"For example, John Jones has a \$10,000 life policy, and assigns it to the bank to secure a loan of \$1,000. Later, he purchases \$10,000 of securities, and signs a note, the bank holding the securities as collateral. The market drops, and John Jones dies. The proposed assignment form would give the bank the right to collect any loss resulting from the second transaction out of the proceeds of the original assignment.

"In paragraph F, the policyholder is also giving up the protection of the insurer's usual investigation as to the validity of assignee's claim.

"I believe most life insurance underwriters will agree that the proposed form does not carry out the principles expressed in the following statement by the Travelers Insurance Company. 'Our first and greatest responsibility is to make certain that the interests of the beneficiary are protected to the fullest extent.'"

Pays 5% Interest on Renewals

ST. LOUIS—The General American Life has arrangements under which it pays agents who leave renewal commissions on deposit interest at the rate of 5 percent. A number of agents have already taken advantage of this plan.

Consider Premium Notices

The Life Advertisers section of the Canadian Life Insurance Officers Association has been requested by the Institute of Life Insurance of Canada to cooperate in conveying information to the policyholders and public. Over 100,000,000 premium notices go through the mails annually and it is suggested that this huge circulation as a means of educating the public could be used to advantage.



*Net interest earned
on mean invested assets in
1938... 5.08%.*

*Interest paid policy-
holders and beneficiaries on
funds held in trust (contin-
uously since organization in
1907)... 5%.*

JEFFERSON STANDARD

LIFE INSURANCE COMPANY

Julian Price, President
GREENSBORO, NORTH CAROLINA



THE SOUTH'S
Largest

Confidence Seen in Company Affairs

Commissioner Blackall of Connecticut Says Insurance Is Dependable

HARTFORD—Commissioner Blackall, speaking at a luncheon meeting of the Rotary Club, envisioned a "profound impression on the insurance business by the substantial increase in social legislation."

"Whether by the stimulation of interest in insurance it will tend to be a feeder for the business; or whether on account of some governmental aspect there may be further governmental participation in the business it is difficult now to say," Mr. Blackall pointed out, "but it is a development that cannot be overlooked in attempting to gauge the activities of the future."

"I can, however, say consistently that further action can be based only on the experiences of the past, and the remote and immediate past of the insurance business indicates to me that its management warrants confidence and that its contribution to our welfare is so pronounced that no substitute for it appears on the scene at this time. This being so the position of Connecticut in the picture is bound to be a substantial one, and by moving forward cautiously the outlook is bound to be bright."

Gains Shown in Los Angeles

Returns from Some Agencies Show Results of the Six Months Agency Operations

LOS ANGELES—Southern California life companies and general agencies have closed the first six months with a showing in paid for insurance in excess of the same period of 1938. While the average gain has not been large, yet some of the agencies do show a decidedly important increase.

Occidental Life paid for \$41,834,592 of new business, gain \$3,196,143 or 8.2 percent. For June the paid for business (including group) was \$7,241,308 as against \$6,714,121, a gain of \$527,187. Life insurance in force is \$474,944,723, gain \$22,126,746 over similar period of 1938.

The Kellogg Van Winkle agency of the Equitable Society showed a gain of 28 percent in volume and 21 percent in premiums.

W. K. Murphy's agency of the New England Mutual Life showed a gain of 8 percent.

A. E. Payton, general agent New England Mutual, had a gain of 56 percent.

J. G. MacConnell, general agent of Home Life, recorded a gain of 14.6 percent.

John W. Yates, general agency of the Massachusetts Mutual, made a gain of 59 percent.

Murrell Brothers, general agents Mutual Benefit Life, report a gain of 93 1/2 percent.

J. H. Cowles, general agent Provident Mutual Life, made a gain, but the figures have not yet been released from the home office showing the percentage credited to the agency. The agency occupies third place among all agencies.

Harold G. Saul's agency of the John Hancock Mutual showed an increase in ordinary of 39 percent, and in group 770 percent.

The sales congress of the Fred C. Hathaway agency of the Mutual Life of New York was held in Los Angeles with 75 in attendance.

Jess Dunham has opened an agency at Bethany, Mo. He formerly was county treasurer there.

Milton Sherman, Gale Johnston St. Louis Speakers



MILTON SHERMAN

Announcement is made of two more speakers who will appear on the program of the annual convention of the National Association of Life Underwriters in St. Louis in September, they being Milton Sherman, general agent for Connecticut Mutual Life at Buffalo, and Gale F. Johnston, divisional sales manager for Metropolitan Life at St. Louis.

Mr. Sherman started with Connecticut Mutual in Toledo 16 years ago. A year later he was named supervisor. In 1927, he became general agent there and in 1937 was appointed to the Buffalo post. In addition to his management work he has maintained a personal production pace of better than \$500,000 per year. He is devoted to increasing the average size of policy. In Toledo his agency averaged \$6,000 per policy. In a year and a half the average in Buffalo has been increased by more than 50 percent.

Mr. Johnston looks after the group work of Metropolitan Life in Missouri, Oklahoma, Kansas, Tennessee, Arkansas, Texas and Louisiana. In 1934 he was given an award for outstanding civic service to St. Louis. He graduated from Princeton University in 1924. He was in the newspaper publishing business in Missouri at one time. He is president of the Boy Scouts, St. Louis Area council. He has, for 10 years, been a director of the Community Fund of St. Louis.

Irish Fetes Boston Actuaries

The Boston Actuaries Club was entertained last Saturday in Portland, Me., by President R. E. Irish and Vice-president and Actuary A. Thomas Lehman of Union Mutual Life. Twenty-two actuaries from the New England companies enjoyed an all-day cruise around Casco Bay with a stopover at noon on Jewell's Island for an old-fashioned Maine coast clambake.

General Agent at Bismarck

J. L. Vachon of Bismarck, N. D., has been appointed general agent for six counties in southwestern Washington, with headquarters at Vancouver, by the Guarantee Mutual Life of Omaha. For the past year he has operated as an agent of the Provident Life of Bismarck in its home office city. He previously spent nine years in sales and promotional work for the Ford Motor Company, and also did similar work for the Northwestern Bell Telephone Company and the Standard Oil Company in Minneapolis.

Prospect with accident and health. Read *The Accident & Health Review*. \$2 a year. 175 West Jackson Blvd., Chicago.

Chief Spadesman Hails from Boston

G. M. Doherty, general agent at Boston, will break ground for Continental American Life's new home office building in Wilmington, Del. A personal production of \$96,000 of paid business in June made him the "chief spadesman" in the "spade crusade" which was dedicated to the coming ceremony.

A. I. Covell, supervisor in the Robert Kruh agency, New York, earned the title of lieutenant spadesman and Ralph Benson, agent in Rockville, Md., became "spade committee chairman" by virtue of leading the company in lives insured.

More than 20 percent of the field force qualified as members of the board of spadesmen, and others are being selected to join the spade committee. Both these groups will attend the groundbreaking ceremony in Wilmington in the near future and see the first spadeful of earth turned in preparation for construction of the new home.

Production for June exceeded the highest previous June in the company's history, and showed a gain over June, 1938, of 44 percent in volume and 51 percent in premiums. New business the first half of 1939 showed an increase over the same period last year, and its in force figure shows a substantial gain for the year ending July 1.

Explains Effective Use of Agent's Reference Book

With "Non-competitive Selling" as his subject, J. H. Rader, statistician of the National Underwriter Company, spoke to the G. D. Randolph agency of New England Mutual in Cincinnati. When a prospect brings up the name of a competing company whose proposal he has received, Mr. Rader recommended that the agent say he will discuss that point thoroughly but first he would prefer to consider the prospect's problem and decide what kind of insurance he needs.

In discussing the question of company, according to Mr. Rader, the agent can turn to his statistical reference book, such as the Little Gem, where he previously has indicated with red pencil marks what are "plus" sales points of his own company. The agent stresses these, saying these are reasons why he has selected that company for his own present and future advancement and citing the policyholder advantages.

Mr. Rader suggested that agents indicate in their reference books interesting facts about the companies which are likely to be his competitors so when he is in a sales presentation he can refer to them and outline quickly the "plus" points for his own company. He pointed out the importance of dramatizing the points instead of merely mentioning them and suggested as an example the automatic premium loan provision. It is much more forcible to tell a prospect, if his premiums come due when he is away on a vacation, what an advantage it is to have his insurance in a company which will automatically continue the insurance in force so when he gets back he need only pay the premium and a little interest instead of canceling his policy for non-payment. Advanced age or a heart affliction may have developed which will prevent him from getting any insurance. The automatic premium loan or any provision so dramatized thus becomes an understandable and valued part of the policy.

Announcement was made at the organization of the California Quarter Million Dollar Round Table that one woman, Mrs. Deborah Lewin of the Cecil Frankel general agency of the Equitable Society, had qualified for membership. She is also one of the 27 delegates from the agency who will attend the 80th anniversary celebration of the company in New York July 25-27.

Unusual Episodes in Life Insurance Producing

Unusual episodes come to light in life insurance soliciting. The other day at a luncheon table an agent told about an unusual experience. He had endeavored for a long time to get in contact with an important executive. It was very difficult to make an appointment. However, finally he succeeded in arranging an interview but in spite of his most persuasive efforts he could not make a dent. As he was leaving the office and passed through an outer room, the auditor stopped and asked him if he were not in the insurance business. The agent promptly replied in the affirmative. The agent had never noticed the auditor before. The auditor explained that he had just paid off a mortgage on his house and wanted to take out some insurance. They sat down, the agent thinking that he was probably a man who could buy two or three thousand dollars. Before he left he had his application for \$25,000.

Order Taker on Grand Scale

Another agent at the same table told a better story. He started as an industrial agent with the Prudential. In the first week of his career a number of years ago he was in the office when the telephone bell rang. As there was no one else to answer it, he took the call. A man at the other end said that he wanted to get some life insurance and asked if an agent could be sent over to see him. The agent made the engagement and went himself. The prospect had already made up his mind that he wanted insurance. He asked that an application be filled out at once. The agent who was new in the business let the prospect put in the amount of insurance. When he gave it back, the agent looked over it casually thinking it was for \$1,000. He completed the application and took it to his manager. He had seen the figure "1" on the policy and concluded that it was for \$1,000 denomination. The manager shook hands lustily with him for the fine sale he had made. He held the agent up before the other men as being a wonderful example of aggressiveness and congratulated him on his sale of a \$100,000 contract his first week.

R. C. Bevan Worcester Manager

Following the resignation of Duane Sprague as general agent for Connecticut General Life at Worcester, Mass., Ralph C. Bevan has been appointed manager there.

Mr. Sprague, who has been with the company since 1921 and has served as general agent since 1930, will continue to represent the company, devoting his time to personal production.

Mr. Bevan has been assistant manager in Providence since 1934, and has qualified regularly for the honor roll.

O'Connor New Cincinnati Head

CINCINNATI—Associated Life General Agents & Managers of Cincinnati have elected a new slate of officers. R. C. O'Connor, Reliance Life, is president; G. T. Kennedy, Lincoln National, vice-president, and J. W. Austin, National Life, secretary. Three new trustees were elected—Mr. Austin, W. J. Mack, Northwestern Mutual, and Frank Wiglesworth, Travelers.

Isadore Samuels Is Speaker

Isadore Samuels, Denver general agent New England Mutual Life, and trustee of the National Association of Life Underwriters, addressed the home office agency of the Colorado Life on "Keep Your Light Burning."

The A. M. Best Company, 75 Fulton street, has gotten out its 1939 edition of "Best's Chart of Recommended Life Insurance Companies," this being the 12th annual edition. The book sells for \$1.

Burial Insurance Plan Devised to Cost Cent a Day

Patterned on Hospitalization; Well-Known Actuarial Firm Evolved Rates

NEW YORK—Patterned on the 3 cents a day hospitalization plans, a burial insurance system calling for payments equivalent to one or two cents a day has been devised by Maurice Janklow, New York attorney. The actuarial side of the plan has been worked out by Richard Fondiller of the consulting actuarial firm of Woodward & Fondiller, New York City. Mr. Fondiller is secretary of the Casualty Actuarial Society.

Mr. Janklow, who has never been connected with the insurance business but became interested in the social problem of funeral costs, sought a plan which would, first, provide respectable funerals at a reasonable cost, and second, to make it possible for those even in the lowest income groups to have the requisite funds on hand at the time of death to pay this cost. The 1-cent-a-day policy would provide \$100 payable at death, this amount being increased by annual dividends. There would be no surrender values, no loan values, and no paid-up values. Premiums would be the same for all ages.

The group principle would be used to

an extent, the plan calling for groups of at least a dozen members whose ages would be distributed according to a pattern laid out by Mr. Fondiller.

An integral part of the plan is getting undertakers to agree to give a specified type of funeral for the \$100 which would be available on the death of each member of the plan. Because there is such a scarcity of funerals as compared with undertakers, it is thought that an undertaker who could be assured of a definite amount of business through cooperating with the system could well afford to give a \$200 funeral for an assured payment of \$100. Also, Mr. Janklow feels that membership in his plan would prevent the overselling of customers by undertakers.

While recognizing that the payment of the same premium for all ages involves the danger that the younger people would drop out, Mr. Janklow believes this would be offset by the fact that the groups in most cases would be members of the same family, and that furthermore even the youngest would need the coverage and would not mind paying the same rate as the oldest of the group.

The plan calls for setting up a non-profit capital stock company, the provision being made for the capital to be repaid, after which profits would go to the policyholders, but only in the form of additions to the death benefits. Policies would be sold without agents or commissions. Premiums would be payable quarterly, semi-annually or annually and while there would be no medical examinations risks would be inspected.

The Will H. Ford & Son agency of the ordinary department of the American National in Oklahoma City celebrated its first anniversary with a luncheon and special entertainment. Home office officials and other distinguished guests attended.

Insurance Not Yet Affected by Change

ST. PAUL — For the time being at least, the new system of government that went into effect in Minnesota July 1 will not involve the insurance department or the compensation insurance board. Most of the other major departments of the state are affected to some degree.

Employees of the insurance department and the compensation insurance board, however, come under the new civil service act and there is considerable speculation as to what if any changes will be made in the personnel of these two boards. Many of the employees in the insurance department have been there the five years required to be "blanketed in" under the civil service act but nearly all of them are subject to the six months probationary period during which they may be dismissed. The feeling is strong that before the end of this year there will be some changes in the office staff of the department.

Speculation on Commissioner

Speculation also continues as to the commissionership. Since the Stassen administration went into office last January there have been various rumors as to Commissioner Frank Yetka's status. Mr. Yetka is a Farmer-Labor appointee and has a year and a half of his six year term yet to serve. Governor Stassen has discharged other Farmer-Laborite appointees right and left but so far as known has not meddled with the insurance department.

Although Commissioner Yetka has antagonized many of the company men in the state, it is believed he has the backing of a large percentage of the local agents in all lines who feel that by and large he has done a satisfactory job as commissioner. The point is also made

that the Farmer-Laborite administration several years ago permitted a Republican, Garfield Brown, to serve out his term as commissioner without interference from the governor's office.

Danger in Bank Loans

The danger of upsetting settlement option provisions and making insurance payable to one's estate for the sake of obtaining a low-rate bank loan on a life insurance policy is shown by a case which has come to light and which is still hanging fire. The insured died before repaying the loan and replacing his wife as beneficiary. He was bankrupt at death, consequently the entire amount of insurance was seized and the widow and daughter have not received a cent of insurance since the policyholder died eight months ago. The case is still pending and there is a large chance that the family will get nothing whatever.

Conference Men in Washington

WASHINGTON—A delegation of company representatives and officers of the Industrial Insurers' Conference are in Washington in connection with the social security tax legislation now pending. Among those in attendance are General Counsel J. F. Finlay of Interstate Life & Accident of Chattanooga and Associate General Counsel S. F. Keeble of Life & Casualty of Nashville, Executive Committee Chairman H. T. Dobbs, first vice-president of Industrial Life & Health, Atlanta, Executive Secretary Raymond Daniel and other representatives.

The C. T. Wardwell agency of Connecticut Mutual in Peoria, Ill., entertained George Smith, assistant supervisor of agencies. He discussed mutual agency problems and was honored guest at a luncheon at noon. Mr. Wardwell presided.

GOING TO THE FAIR THIS SUMMER?
*Northwestern National Life Invites You to

STOP, LOOK and LIVE
in MINNEAPOLIS...

City of beautiful lakes, parks, and homes, gateway to the great Northwest and to Minnesota's incomparable summer vacationland, Minneapolis is also the home of one of America's soundest, strongest life insurance companies—Northwestern National Life. N*NL is proud to be headquartered in Minneapolis—proud of its substantial contribution to the life and wealth of the community. To you who are Fair-bound we suggest that you stop... look... and live in Minneapolis!

NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY
STRONG • O. J. Arnold, President • Minneapolis, Minn. • LIBERAL

THE DOORWAY TO OPPORTUNITY

Bar Association Insurance Parley

(CONTINUED FROM PAGE 3)

Springfield, and A. W. Fulton, Chicago; fire with Thomas Watters, Jr., Washington, and fidelity and surety with J. H. Schisler presiding.

Federal Civil Procedure

J. B. Carrigan of Carrigan, Hoffman & Carrigan, Wichita, Falls, Tex., in discussing federal civil procedure rule No. 35, which provides for the physical and mental examination of parties in a suit, brought out some interesting high lights.

He said: "In line with the general purpose of uniformity and furtherance of the cause of free and unlimited discovery before trial, much can be said in support of rule 35. From the stand-

point of eliminating surprise, facilitating the obtaining of evidence, lessening the expense of trial and possibly disposing of many meritless cases without the need of trial, desirable results have been the aim and likely will be the accomplishments."

The conclusion drawn by Mr. Carrigan was seconded by R. B. Montgomery, Jr., of Montgomery & Montgomery, New Orleans, La., in a discussion on this rule. Mr. Montgomery declared:

"The rule will undoubtedly do more than that. It will defeat many fraudulent claims which would otherwise be successful. It cannot be doubted but that in states where the defendant has been unable to obtain physical examination of the plaintiff that many frauds have been perpetrated upon employers and insurance companies powerless to protect themselves.

He brought out, as an example, that Mississippi does not require the plaintiff to submit to physical examination

and in many cases which should have been brought in Louisiana have been brought in the county courts of Mississippi adjoining Louisiana, solely for the purpose of avoiding such examination.

He cited Wigmore to the effect that nine-tenths of litigation in which the privilege is invoked consists of action on policies of life insurance where the misrepresentations of the deceased about himself are involved, action for corporal injuries where the expense of the plaintiff's injury is at issue, and testamentary action where the testator's mental capacity is disputed. In all of them medical testimony is absolutely necessary for the purpose of learning the truth. In none of them therefore is there any reason for the party to conceal the facts except as a tactical maneuver in litigation.

New Federal Court Rule

Robert McWilliams, San Francisco, first assistant United States attorney, discussed the new federal court rule regarding production of documents and inspection of property for evidence in a trial. The new rule, he pointed out, is much more liberal than previous ones, discovery now being allowed upon motion of any party who shows "good cause." This gives the benefit of the rule to intervening parties and third parties brought in by either the plaintiff or the defendant and does not require that discovery may be had from an adverse party only. If the party does not know what documents exist and need such information to enable him to apply for an order of discovery, either an oral examination or a written interrogatory may be employed for that purpose. While the rule does not require any verification, Mr. McWilliams suggested that interpretations of state statutes having similar wordings indicate that the courts may insist on the motion being verified or supported by an affidavit that the discovery is material and necessary, in order to avoid letting one party go upon a "fishing expedition" or to gratify mere curiosity. The court has considerable discretion under this rule and may specify the time, place and manner of making the inspection and may prescribe such terms and conditions of the inspection as appear equitable.

Committee on Adjusters Meets

On Wednesday afternoon the conference committee on adjusters met with Oscar J. Brown, chairman, in special meeting, while the insurance section heard reports, elected new officers, and heard informal five minute discussions on various phases of the insurance law problem.

Two speakers appeared: Dean R. L. Stearns of Colorado and J. Purdon Wright, Baltimore, who talked on "What constitutes insurance within the purview of the state insurance law."

The insurance section enjoyed a "good time banquet" Tuesday night at San Francisco's Commercial Club. The insurance section meetings were strictly business throughout with all present apparently there to accept the proceedings with the seriousness of class room instruction.

Seek to Block Naming of Duel to Wisconsin Post

MADISON, WIS.—A joint resolution to close the doors against the appointment of members of the state legislature to state jobs has been introduced by Assemblyman Catlin of Appleton and adopted by the assembly. The resolution still needs senate approval. Opposition to appointment by the governor of any legislator to a state job while the legislator is serving his term is said to have developed from the previous Progressive state administration. However, some observers are taking it as a possible move against the rumored appointment of Senator Morvin Duel, Fond du Lac Republican and a local agent, as successor to Commissioner Mortensen whose term expired June 30. Governor

Chicago Life Man Has 1,000 Weeks' Production



ARMAND C. PFAFF

NEW YORK CITY — A. C. Pfaff, a partner in the Griffin, Ingram & Pfaff general agency, Chicago, of the Equitable Life of Iowa, was honored at the opening session of the Production Clubs convention for having completed 1,000 consecutive weeks of life insurance production as a member of the Equiowa One-A-Week Club.

Mr. Pfaff has been a representative of the Equitable in Chicago since Nov. 7, 1914, when he entered the business as a personal producer without previous life insurance or sales experience. He soon established himself among the production leaders of the company. When he was promoted to the position of district agent he quickly demonstrated his ability to recruit and train men. In 1925 he became a member of the Griffin, Ingram & Pfaff general agency. In addition to the executive and organization responsibilities entailed in Mr. Pfaff's work as general agent, he has continued to submit applications in accordance with One-A-Week Club regulations. He completed his 1,000th week of One-A-Week production July 8.

Also presented to the convention body for recognition was Ben Bloch, Peoria, Ill., who was the first agent in the history of the company to complete 1,000 weeks of One-A-Week production, having reached that goal Jan. 13, 1939, at which time he was honored by the company with a banquet attended by the leading business and professional men of Peoria.

Heil has not committed himself on a successor. Since Senator Duel's term expires with this session and the appointment has been delayed after expiration of Mr. Mortensen's term, possibly until after adjournment, the possibility of his appointment is gaining strength. There have been rumors that several Appleton men have been campaigning for the appointment and that Catlin's resolution would be favorably in the interest of his constituents.

Special Drive on New Policy

The Guarantee Mutual Life is conducting a special campaign to introduce its new low rate ordinary life policy. A direct mail program has been launched in which the agents sent names of prospects to the home office for circularization.

Robert Weineke, supervisor Zischke agency of the Union Central, Chicago, goes to Camp Custer, Battle Creek, Mich., next week for two weeks of army training. Mr. Weineke is a captain in the reserve officers training corps.



"I INSURED HIM"

This insurance salesman has reason to be proud as he directs the attention of his companion to a widow and her children.

Because of his persistency their late husband and father was adequately insured and they are spared the added grief of want.

Check up on the bread winners of your community.



The Prudential
Insurance Company of America
Home Office, NEWARK, N. J.

State Mutual Makes Awards to Winners

The whole State Mutual Life home office staff and a number of the directors watched the presentation ceremony in which President Chandler Bullock gave inscribed silver cups to field representatives for production leadership during a May campaign in his honor.

Four general agents and eight agents, who were invited to Worcester by President Bullock, received the awards following a victory dinner attended also by officers and directors.

During May all agencies were divided into four groups. The general agent whose agency led his group in volume; the leading agent in volume and the leading agent in lives in each group, were offered the trip to Worcester to receive awards.

General Agent G. F. Robjont of Boston, president of the General Agents' Association, which originated and carried through the campaign, also was one of the prize winners. Mr. Robjont's agency led in volume.

General Agents Jeff Gros of Memphis, H. V. Montgomery of the Montgomery-Deutsch office, San Francisco, and N. C. Estabrook, Houlton, Me., received the awards in behalf of their agencies, volume leaders in the three other agency groups.

The four agents leading in volume were: F. J. Lally, G. F. Robjont office, Boston; W. A. Wilder, Memphis; W. A. Waldman, Dallas, and F. C. Richards, Toledo.

Records were set in lives paid for during one month, the leaders writing as follows: W. C. Leck, Chicago, 36, R. C. Glassman, San Francisco, 34, Isaac Loskove, Memphis, 29, and A. C. Farley, Houlton, Me., 19.

Eide Successful in the Induction of College Men

E. A. Eide of St. Paul, ordinary general agent for Prudential, has been successful in the induction of college graduates into the life insurance business. He started a year ago with a class of seven such recruits, put them through an intensive training course for a week, then had them take the regular Prudential course. All of these men are still with the agency. Each is making a living and one or two are doing exceptionally well.

This year Mr. Eide gathered another group of 13 college graduates. They have just been put through a one week's training course in which Mr. Eide was assisted by Harold Ames, and Orris M. Johnson of Mankato, Minn., assistant managers, and Special Agent Burton Bauernfeind of Albert Lea, Minn.

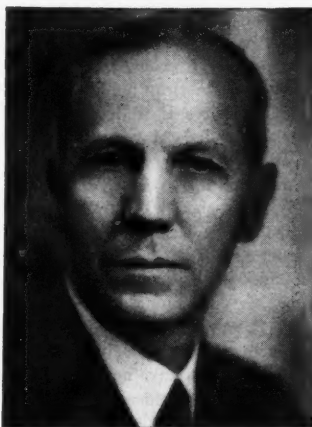
The beneficence of life insurance was brought home to this class in dramatic fashion. One day the group was taken to the penitentiary at Stillwater, Minn., and the warden was interviewed as to the causes of crime. The group also visited the poor farm and saw actual examples of distress that could have been avoided by life insurance.

Mr. Eide does not pay salaries to these men nor does he make advances. He gets young men whose parents are willing to lend financial assistance until the sons are earning a living in life insurance. The parents are interviewed, the situation is outlined to them and their cooperation is secured.

"Research Council" in Seattle

Inquiry has been made about the National Insurance Research Council of Seattle, Wash. This is the name of an office operated by W. S. Farley, who was formerly district administrator for the social security division at Tacoma, Wash. For about 20 years he was a consulting engineer and an insurance broker in San Francisco. The council undertakes to collect cash values on lapsed policies, assist individuals in collecting disputed death claims or claims involving missing persons.

New Head of Canada Life Insurance Institute



J. D. WILLIAMSON

J. D. Williamson, who has been elected president of the Life Insurance Institute of Canada, is actuary of Canada Life.

The Institute, with a membership representing all Canadian life companies, has for its objects "the promotion and cultivation of a thorough knowledge of the life insurance business by means of its educational courses, the circulation of insurance literature, the reading, discussion and publication of suitable papers."

For a number of years, Mr. Williamson served as chairman of the educational committee. During his term a new syllabus, including the advanced course, was worked out and inaugurated. Mr. Williamson previously served as second and first vice-president.

Kentucky Restriction on Burial Societies Invalid

A serious threat to the existence of burial societies in Kentucky was eliminated when the court of appeals of that state in the case of Goodpaster vs. Kenton & Campbell Benevolent Burial Association held unconstitutional the 1938 amendment to the Kentucky burial association law prohibiting the designation in burial contracts of official undertakers. The court held that the essence of a burial society is its right to guarantee members burial and not simply the payment of a sum of money and that this amendment would destroy the one distinguishing characteristic of the business and make the societies mere industrial insurance companies and consequently was an arbitrary and unreasonable restriction upon a lawful occupation.

Act Required Payment in Money

The 1932 Kentucky burial association act prohibited issuing certificates which would provide for payment of funeral benefits in merchandise or services and required payment in money. The Kenton & Campbell Benevolent Burial Association listed nine undertakers in its contract as those who would bury its members and provided that it would pay the cost of burial in money to the one designated by a representative of the deceased. Provision was made for burial by another undertaker if the assured should die while residing outside Kenton or Campbell counties, Ky., or Cincinnati. The type of burial, varying with the age of the deceased, was specified in the contract and the association guaranteed delivery of the proper casket and other supplies and the services. The association was stated to have over 40,000 members.

In a previous case involving the same association, the certificate limiting the field of choice to nine undertakers and agreeing to pay any one of the nine selected by a representative of the as-

sured in cash was held not to be a violation of the 1932 statute.

The Kenton & Campbell association brought a bill for an injunction against Insurance Director Goodpaster to restrain him from enforcing the 1938 amendment, which prohibited the designation of official undertakers. The court of Campbell county allowed the injunction and it was upheld on appeal. Justice Stites in his opinion quoted the law as stating that its purpose was to prevent restraint upon relatives or representatives of the deceased from procuring and purchasing supplies and services in the open market with the advantage of competition. He rejected this contention, pointing out that, had the legislature considered the designation of official undertaker to be a contract in restraint of trade, the situation could have been met by requiring that any undertaker who gave the proper security and agreement should be entitled to the status of an official under-

taker. "There is," the justice's opinion stated, "at least the shadow of a suspicion that undertakers not named as officials may feel more interest in destroying this arrangement than in joining the organization."

A burial association, Justice Stites maintained, performs a distinctive function in that it guarantees a "respectable burial" to its members. Ordinary industrial insurance does not do this, "because the mere payment of a sum of money, whatever the purpose of its accumulation, is no assurance to the member that the fund would be used exclusively, or at all, to provide a respectable burial. Even a provision that the sum of money would be paid only to an undertaker would not thoroughly meet the situation, as there is no way in which the member could be assured that undertakers not under contract to the burial association would furnish the services prescribed in the certificate for the price fixed."



Her Protection Is Yours, Too

First in importance to the father of young children is an income for their support until they are grown — from his earnings if he lives, otherwise from his life insurance.

Second, but too often unprovided for because there seems no practical way, is a later income continuous for his wife's lifetime and for his own if he lives to retirement.

New Family Maintenance life insurance contract provides for children's support. It provides for a minimum later life income too. It gives, in addition, the right to arrange for increased later life income as means permit, regardless of physical condition.

All at practical outlay for the family of moderate means.

Send for descriptive folder, *Right for Today, Adaptable to Tomorrow.*

**Connecticut General
Life Insurance Company**
Hartford, Conn.

EDITORIAL COMMENT

Encroachment of Government Lending

WHETHER OR NOT the federal government eventually gets control over the life insurance business and puts the flow of life companies investments under the thumb of the planned economy experts it can unfortunately do a great deal toward perverting the course of life insurance investments from their normal channels. The far-reaching effects of the government's intrusion into the economic life of the country was mentioned by President O. J. ARNOLD of the NORTHWESTERN NATIONAL LIFE in his recent address before the CLEVELAND LIFE UNDERWRITER'S ASSOCIATION and the CLEVELAND CHAMBER OF COMMERCE. HENRY BRUERE, president BOWERY SAVINGS BANK, New York City, warned against further encroachments of the government in the housing field in his testimony before the O'MAHONEY monopoly committee.

Mr. BRUERE said that "if we are going to continue to function under the system of private profits the basic thing that is necessary is to make decisions as to the reasonably desirable area in which that system may function with social advantages and then to accord it as much freedom of initiative as sound accepted social standards permit."

The government's philosophy appears to be that if private enterprise will not spring forward with a fully developed plan of action which it is ready to carry through, then the government should take over the job. The administration appears to think

it entirely logical that business men will risk their own and borrowed capital in a field where they may presently be faced with government competition subsidized by an inexhaustible fund of taxpayers' money.

From a life insurance standpoint the more the government encroaches into the field of private business, the more the companies are forced to invest their policyholders' funds in low-rate government obligations rather than securities of private corporations paying higher interest. Thus, the New Dealers may be able to gain their point by frightening private enterprise to the extent that it will no longer be a channel for life company investments, the companies' only alternative being to keep on financing the government. Not that this would be the major aim of the administration, of course, but the result, as far as the life insurance business is concerned, would be the same—a substantial increase in the net cost of insurance and a decline in the return on money held under settlement options.

Not only would insurance cost more under such an arrangement but there would be fewer people to buy it because of the continued stagnation in business which is being felt now. It is to be hoped that somebody will put the brakes on planned economy before it succeeds in extinguishing private enterprise to the point where everybody is working for the government and there is nothing left to invest in except government bonds.

A Chance to Resell the American Public

APPOINTMENT BY President H. J. JOHNSON of the NATIONAL ASSOCIATION OF LIFE UNDERWRITERS of a special committee to study and act upon the implications contained in the testimony presented in the life insurance hearings before the TEMPORARY NATIONAL ECONOMIC COMMITTEE deserves every possible commendation. The association's prompt move under President JOHNSON's leadership, once the committee's aim became apparent, is significant, and its significance will not be lost on those who are trying to put life insurance under federal control. The emphasis which the TNEC has laid on the cost of life insurance and the fact that an entire day was given to hearing the praises of savings bank life insurance from one of its most ardent zealots must arouse grave suspicion that there are strong influences at work which are inclined to view the American agency system with considerable

impatience and see little in it that is worth saving. If the supposition is correct that the ROOSEVELT administration is mainly interested in getting control of insurance companies so that their investments can be made to conform with planned economy, it is possible that control over the agency end of the business would be merely a club to enforce the investment control. For example, a company inclined to balk at pouring its policyholders' funds into a "pump-priming" project which it considered unsound might find itself yanked up short on its sales practices, not because the government had any real fault to find with these practices but as a means of overcoming scruples on the investment side.

Whatever the aim—whether to interfere with present agency practices as part of a general attack on the profit system, or as a means of implementing investment control—the prospect is one in which the

agency side of the business is vitally concerned.

Fortunately, the situation is one that can be readily handled if action is sufficiently prompt and well organized. Fortunately, too, even if fears of the committee's motives are entirely groundless, the job of re-selling the American public on the value of agent's services is well worth doing.

Whether the federal government will be given authority over life insurance is in large measure up to Congress, and Congress is, as it should be, responsive as to what the public wants. It was perhaps significant that Examiner GERHARD GESELL of the SECURITIES & EXCHANGE COMMISSION, in his questioning of General Manager V. P. WHITSITT of the LIFE PRESIDENTS ASSOCIATION brought out the fact that the companies have no organized setup for arousing policyholders on issues before the state legislatures. GESELL may have had no thought in mind except to show how life companies conduct their legislative activities, but it is not too far-fetched to wonder whether he was not also making sure to get into the record, for the benefit of congressional members of the commit-

tee and other members of CONGRESS, the fact that no means exists of getting life insurance policyholders aroused on issues of interest to them as policyholders. Was GESELL saying in effect to members of CONGRESS who might later scan the records, "Gentlemen, you need fear no organized objection from insurance policyholders. At the most there could be only poorly organized, spontaneous objections or those hastily organized by those in the business?"

In view of developments which have already taken place in the insurance investigation and those promised for future hearings, no one can accuse Mr. JOHNSON of seeing bears under the bed if, as chairman of the special advisory committee on the TNEC testimony, he drives ahead with all the power at his command. The fact that he has appointed such an outstanding committee—C. J. ZIMMERMAN, H. T. WRIGHT, C. VIVIAN ANDERSON and J. S. MYRICK—and has personally taken on the responsibility of chairman shows that he is fully aware of the importance of the task ahead. Mr. JOHNSON's decision is a forthright one and wise.

PERSONAL SIDE OF THE BUSINESS

Wesley A. Monk, general counsel Massachusetts Mutual Life and former Massachusetts commissioner, who was confined to St. Vincent's hospital in Los Angeles for a few days after being taken ill there on his return from the insurance commissioners convention in San Francisco, has now returned home.

Gifford Vermillion, Milwaukee manager Mutual Life of New York, is chairman of divisions in charge of the 1939 campaign of the Milwaukee County Community Fund.

R. D. Shepard, vice-president and treasurer of the Bankers National Life, Montclair, N. J., has been elected a director of the Montclair chamber of commerce. He is also a member of the board of adjustment of Montclair.

Vice-president **A. E. Patterson** and **Paul Huttinger**, agency secretary Penn Mutual Life, spent a day in Chicago last week enroute home from attending the funeral of Grover (Dude) Davis, assistant to the agency vice-president, the burial being at Torrington, Wyo.

R. H. Pearson of Forth Worth, Tex., general agent Minnesota Mutual Life, has had at least one application a week since October, 1929. He has produced never less than \$10,000 in any month. He led the agents during the last three years in new paid premiums. The total during the three-year period was \$60,000. He has written \$10,000,000 since October, 1929. He is a C. L. U.

Floyd Forker, sales promotion manager of the Pacific Mutual Life, welcomes the arrival of a daughter, Jan Ellen.

Scott Mills, son of Secretary **B. N. Mills** of the Bankers Life of Iowa, suffered an attack of appendicitis and underwent an operation at Bridgeport, Cal.

Mr. Mills, his wife, two daughters and the son were on a vacation trip to the west coast.

John A. Ramsay, general agent at Newark, N. J., for the Connecticut Mutual Life, was surprised on his birthday when his office and agency staff presented him with a large birthday cake, and a hammock and a set of horse shoes for his summer home in Connecticut. Mr. Ramsay will be one of the speakers at the National Association of Life Underwriters convention in St. Louis in September on "Personal Conference With the Agent at the End of the Year." Mr. Ramsay has been elected vice-president of the Life General Agents & Managers Association of Northern New Jersey.

C. P. Hochstadter of the I. M. Gantz agency, Cincinnati, leads the entire field of Pacific Mutual for the year to date. He has the distinction of being leading agent in two previous years. He also has a record of an application a week for more than seven years.

T. P. Lownsbrough, agency manager of the London, Ont., branch of the Northern Life of Canada, tied "Sandy" Somerville for second place in the Smallman trophy interclub golf event at Sunningdale Golf Club. "Sandy," who won the American amateur title in 1932, went out in 37 and returned in 38. Mr. Lownsbrough went out in 36 and returned in 39.

Among the possessions held priceless by General Counsel **A. C. Tobias** of the Carolina Life of Columbia, S. C., and member of the laws committee of the Industrial Insurers' Conference, are three volumes of "Memory Books." They are made up of newspaper and magazine clippings affecting the Tobias family over a long period. A score of

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years ago the mother of Mr. Tobias gave him a collection of clippings of earlier days, with regard to activities of the family. Two volumes have been bound and Mr. Tobias is now assembling the third volume.

Miss Ann Revell Chadeayne, 18, daughter of Henry F. Chadeayne, secretary of the General American Life, has been awarded a scholarship by the Georgetown Visitation Junior College, Washington, D. C. She will study for two years in the arts department. Miss Chadeayne is the first St. Louis girl ever awarded a scholarship by the institution. She was graduated in June from the Academy of Visitation, St. Louis.

Walter G. Gastil, Los Angeles manager of the Connecticut General Life, is on a vacation and expects to return July 17, which is the fifth anniversary of his joining the Connecticut General. During the interim the office is conducting a contest in his honor.

DEATHS

Benjamin Freifelder, one of the old guard general agents of Scranton Life, located in Philadelphia, died the other day. The senior officers of Scranton Life served as honorary pallbearers at the funeral. He had been connected with the company about 30 years and was instrumental in developing and maintaining one of the largest agencies of Scranton Life. In accordance with an agreement made sometime ago, the agency will be perpetuated under the name of the Benjamin Freifelder-Scranton Life Agency.

W. P. Behling, 74, who retired a year ago as treasurer of the Northwestern Mutual Life after 56 years of service, died after a long illness. He started with the Northwestern Mutual as an errand boy in the cashier's department in 1882, was advanced to assistant cashier in 1897, cashier in 1912 and treasurer in 1933.

Roy Guthrie, 58, died in Houston, Tex., from a heart attack. He was prominent in insurance circles in Des Moines until he moved to Texas in 1934. He was with the Mutual Trust Life.

B. J. Novak of Shiner, Tex., a member of the San Antonio agency of Jefferson Standard Life for 18 years, died recently. He was a member of the "App-A-Week" club for 369 weeks.

Funeral services were held in Detroit Saturday for Mrs. Myron C. Gardner, wife of the Detroit city manager of the Ohio State Life.

S. W. Love, who had been with the Metropolitan Life 33 years, died in Cincinnati after a long illness. He had served the company in Cincinnati, Hamilton and Marion and was assistant manager in Cincinnati.

COMPANIES

New Plain Dealers Mutual

The title of Employees Mutual Health of Chicago has been changed to Plain Dealers Mutual. Control of this company, writing personal accident insurance, recently was acquired by the management of Central Life of Illinois. It was formerly located in Rock Island, Ill.

New Company in Arkansas

Southern Equitable Life of Eldorado, Ark., has been organized with G. R. Crosley, former mayor, as president. Dr. E. J. Munn is vice-president and medical director; C. M. Pynes, treasurer, and V. H. Tompkins as secretary and agency director.

Still No American Life Decision

LANSING, MICH. — Failure of the Michigan supreme court to hand down an opinion the past week in the American Life receivership case virtually assured that there will be no decision until the court reconvenes in September.

The old management of the American Life of Detroit, now under a temporary departmental receivership, appealed the

Ingham county circuit court order for the receivership, claiming the company to be solvent.

Guide to World's Fair

NEW YORK—Guardian Life of New York has prepared two booklets as a service to its policyholders and friends who contemplate visiting the New York World's Fair. One is a guide to the fair and New York City, while the other is entitled "My Diary of the New York World's Fair." Both are illustrated.

The fair guide is being distributed to Guardian agencies throughout the country. In each guide is inserted a request card for the diary. The diary is mailed to the sender direct from the home office upon receipt of the request.

Guardian Life is one of the companies which contributed to the financing of the popular and striking Hall of Man exhibit.

SALES MEETS

Reliance Life Memphis Meeting

Mississippi, Tennessee and Arkansas agents of the Reliance Life held a meeting in Memphis, with Emmel Golden, manager of the Tri-States Division, and C. L. Patterson, field manager, in charge. Following this meeting the entire group went to Edgewater Gulf, Miss., for the company's general convention.

B. M. A. Sales Conferences

One day sales meetings were held by the Business Men's Assurance Co. at Indianapolis and Wichita. Presiding at the Indiana meeting was Manager Noel Iiams and at the Wichita meeting, B. A. Hedges, manager for Kansas. Mr. Hedges held his meeting on the lawn of his home following a luncheon given for the salesmen and their wives. D. B. Alport, assistant secretary and chief underwriter, and Walter Fickle of the sales department represented the home office.

A group of Illinois representatives visited the home office with C. E. Mitchell, manager for Illinois, as the escort.

Bert A. Hedges, Kansas manager Business Men's Assurance at Wichita, celebrated the climax of the company's 30th anniversary at a picnic for agents and their wives from throughout the state. J. C. Higdon, vice-president, was a guest of honor and principal speaker for the one day sales meeting that preceded the picnic.

Twenty new representatives of the Western Reserve Life in south Texas attended a two-day district meeting in Corpus Christi. A. F. Ashford, president, and C. B. Calahan, Jr., agency director, conducted the meeting. G. W. Wilkinson was chairman.

Zimmerman Is Endorsed

What is thought to be a record number of resolutions endorsing a candidate for president of the National Association of Life Underwriters, have been received in behalf of Charles J. Zimmerman, Chicago, general agent Connecticut Mutual Life, it is reported by A. E. McKeough, Chicago general agent of the Ohio National Life, who is chairman of the "Zimmerman for President" committee. Although Mr. Zimmerman's candidacy will not be opposed at the convention at St. Louis in September, Mr. McKeough reports that resolutions in his support have been received from local association groups in nearly every state. Other members of the committee are John Morrell, Equitable Society, and John D. Moynahan, Metropolitan Life, Chicago.

The Washington National has leased new quarters in Columbus, O., on the third floor of the Standard building. T. N. Donahue is manager.

RECORDS

Kansas City Life—First six months showed increased earnings, a slight increase in new business, and a substantial reduction in real estate owned, as compared with the same period of 1938.

Business Men's Assurance—June was the sixth consecutive month of increased business. The gain for the six-month period was 4.7 percent. The Tennessee offices set a new all-time high record for June. On its 30th anniversary the company conducted a championship baseball series contest. Salesmen in home office territory were declared champions in the banner league.

Jefferson Standard—Business paid for in the first six months amounted to \$25,000,000, bringing the total amount in force to \$395,000,000. Sales were 13 percent ahead of the first six months in 1938. There was a large decrease in the volume of insurance terminated by lapse, the actual volume of lapses the first six months being less than for any similar period in the past 20 years.

Union Central Life—Paid for life insurance amounted to \$34,976,691 in the period January through June, an increase of 5 percent over 1938. The total paid

for including annuities was \$47,928,809 compared to \$42,602,921, an 11 percent gain. Eight agencies paid for more than \$1,000,000 of life insurance the first six months: C. B. Knight agency, New York; J. C. Benson, Cincinnati; H. S. Baketel, Jr., Philadelphia; H. A. Zischke, Chicago; T. H. Daniel, Atlanta; B. A. Wiedermann, San Antonio; J. W. Smith, New Orleans, and Lee & Lee, Dallas. In June, the C. B. Knight agency led the company, topping the million dollar mark for the ninth consecutive month. In second place, J. C. Benson home office agency had \$613,220.

Berkshire Life—Reports gain in new paid volume of 30 percent for June over the corresponding month of last year. The company shows a 4½ percent increase in new paid volume for the first six months.

Equitable Life of Iowa—Paid production increased 43.9 percent in June totaling \$4,731,552 or an increase of \$1,444,575 over May. It was the largest month's production since January.

W. N. Golden, Pittsburgh, who retired from active service July 1, topped the entire field with a total of \$80,000. C. M. Caughan, St. Louis general agent, led all agencies with \$211,013.

Lamar Life—Women of the home office sponsored a G-Man's contest in June which resulted not only in the greatest

BUILDERS of MEN

"GUARANTEE MUTUAL MEN MUST SUCCEED"

Our Definite
Plan—Its Results

Step No. 3
FINANCING

The old question of whether a definite plan of financing new agents actually has merit has been fully proven as represented by the illustrations shown here.



Percentage of successes in Group Number One

Group Number One represents the percentage of successes as the result of operating on a combination salary and commission contract.



Percentage of successes in Group Number Two

Group Number Two represents the smaller percentage of successes operating on a strictly commission plan.

A difference of about 44% indicates the advantage secured by use of the combination plan of compensation.

By providing this combination plan of compensation we recognize the company's responsibility to general agents.

If you are interested in details of our plan, consult
A. B. Olson, Agency Vice-President

GUARANTEE MUTUAL LIFE COMPANY

OMAHA, NEBRASKA

ORGANIZED 1901

Licensed in Twenty-two States

month in new paid business for the last 2½ years but brought up the gain of insurance in force up to 178 percent for the first six months. New paid business was 87 percent ahead of June of last year. It was the best June in the past six years.

Franklin Life—Progress during the first half of this year has been greater than in the first half of any year since 1929. Insurance in force on June 30 was greater than on last January 1. Compared with June of last year, issued business for this June was 123 percent; paid new business 140 percent. Paid new business for the half year is 113.3 percent. Persistency, mortality and in-

vestment yield show favorably in comparison with any other similar period in the past decade.

The agency convention is being held at Colorado Springs July 17-19.

Great-West Life—Closed first half of 1939 with the best report of sales operations for many years. From January to June this year five of the six months have shown individual gains over the corresponding months of 1938, May being the only month to show a decrease and it was slight. Business in force, which at the first of the year was \$607,500,000, has now increased to \$613,700,000. To start the second half of the year the closing of a special sales

campaign resulted in more than five millions of new business in the first three days of July. On July 3 more than 750 applications were received, a new record for any single day's business.

Atlantic Life—Reports an increase in new paid business for June of over 50 percent. For the first half of 1939, compared with the same period in 1938 the increase is 25 percent. The convention club period ended June 30, and the leading producers, members of the Aces' Club will meet at the Hotel New Yorker in New York, August 7-9.

August 8 has been designated "Atlantic Life Day" at the New York Fair.

Phinehas Prouty, Jr., general agent Connecticut Mutual at Los Angeles, reports a gain of 25 percent in paid for business or \$220,824. In addition, Mr. Prouty reports over 100 percent gain in agency force. June, 1938, the agency had six full time men under contract. In June, 1939, the agency force had grown to 14 full-time men.

Fremont L. South, Sun Life, Des Moines—Shows increase of 119 percent in June and 32 percent for the first six months.

VIEWED FROM NEW YORK

By R. B. MITCHELL

SCHULTZ HEADS LEADERS GROUP

Harry Schultz, Lauer agency, New York City, is president of the leaders club of Continental American Life for 1939-40.

This club, which consists of 18 men, is the result of volume qualification over an 18 months period from Jan. 1, 1938. Members will embark for a trip to Bermuda July 15.

E. M. DERBY WITH DELONG

E. M. Derby, who until a year ago was executive secretary of the New York City Life Underwriters Association, has resigned as general manager of the Fifth Avenue Association of New York City and become an agent of the C. E. DeLong agency of the Mutual Benefit Life in New York City. Mr. Derby served the New York association from 1932 until he resigned last year to go with the Fifth Avenue Association. Before that he was with the New York Central Railroad's bridge design department for three years. He is a graduate of Brooklyn Polytechnic Institute.

J. K. LUTHER TO HOME OFFICE

John K. Luther, supervisor K. A. Luther agency, Aetna Life, New York City, has been appointed editor of the company's "Life Aetna-izer" and will move to Hartford shortly. He succeeds E. M. Reed, who becomes permanent instructor in the new home office life training school which began its second session this week.

Mr. Luther has had a broad practical and academic experience in life insurance. He is a graduate of the Wharton School of the University of Pennsylvania and majored in insurance under Dr. S. S. Huebner. On graduating in 1930 he joined the Aetna Life's group division, working out of the Syracuse agency until 1933, when he became

brokerage supervisor of the former Luther-Keffer agency, New York City. A year later he was made a supervisor in the full-time department. When the two general agents dissolved their partnership, Mr. Luther continued as a full-time supervisor with the Luther agency.

At the University of Pennsylvania Mr. Luther was business manager of the college paper, and a member of the varsity basketball and track teams. His senior thesis was "The Sales Organization of the Aetna Life Insurance Company."

Mr. Luther was guest of honor at a luncheon given by his uncle, General Agent Luther, this week.

CRATER WIDOW CLAIMS \$60,000

Mrs. Stella Crater Kunz, widow of Supreme Court Justice J. F. Crater of New York, who disappeared mysteriously Aug. 6, 1930, has brought suit against the Mutual Life of New York and the Fidelity Mutual asking payment of \$60,000, contending that Judge Crater is dead. Four policies are involved, two for \$10,000 each and one for \$5,000, which were carried in the Mutual Life; and one for \$5,000 in the Fidelity Mutual. All carried double indemnity provisions and Mrs. Crater is asking payment of the accidental death benefit on the ground that the circumstances of Judge Crater's disappearance indicated that he met a violent end and that his body was disposed of by cremation or otherwise, making it impossible to produce evidence of his death.

Judge Crater was declared legally dead in surrogate's court but the companies, according to Mrs. Kunz's complaint, have refused to make any payment under the policies.

DELONG AGENCY'S "CABINET"

An unusual feature of the Mutual Benefit Life's New York agency is its agency cabinet, composed of the ten leading producers. These men meet for luncheon once a month with General Agent C. E. DeLong, Associate General Agent A. V. Youngman, and other members of the managerial staff. They are invited to present their criticisms, whether constructive or destructive, or bring up any matters which would be in the direction of improvement.

Practically all changes that are made in running the agency are either first discussed at these cabinet meetings or brought up by members of the cabinet themselves, for example, whether to run a contest or not and if so, what kind of a contest it should be. There is a new cabinet every six months, men being selected on the basis of their production standings as of July 1 for the first half year and December 31 for the full year.

L. A. Cerf, Jr., is chairman of the cabinet, being production leader for the six months although he joined the agency only three months ago when he gave up his managership of the Fidelity Mutual Life. Other members of the cabinet are M. A. Blate, Solomon Huber, H. B. Shontz, C. E. Brewer, Jr., Clarence Oshin, I. A. Weil, E. F. Lion, H. B. Lane and Ben Rayved.

The agency's production for June was \$1,401,000 as against \$1,125,000 for the



WHY THE BUSINESS POLICY?

Because it provides greatest protection when protection is needed—during the earning years. And because it combines the advantages of whole life protection with the low cost of term insurance. Because in spite of this low cost, the business policy builds cash values and offers at age 65 the choice between continued whole life protection for a lesser amount or a pension income for the policyholder himself.

Although the business policy was originally developed for business purposes, it enjoys a wide acceptance today among those who seek maximum family protection per premium dollar, and is an important stone in the Continental American structure of "extra protection."

The business policy is described in "extra protection" booklet No. 4, "Why Are My Premiums Less on the Business Policy?" which is now available.

Continental American LIFE INSURANCE COMPANY

Wilmington, Delaware

W. M. Rothaermel, Vice President

FIRST POLICY ISSUED 1871

SUN LIFE

ASSURANCE COMPANY OF CANADA

HEAD OFFICE

MONTREAL

SIXTY EIGHT YEARS OF PUBLIC SERVICE

same period for June, 1938. Mr. Cerf paid for \$155,000 in June and \$332,000 up to July 1.

PRUDENTIAL'S BIG EXCURSION

The largest single excursion ever dispatched from Newark probably will be that of Prudential Athletic Association, scheduled for July 20. The president is J. E. O'Rourke.

More than 15,000 are expected to visit Asbury Park under Prudential auspices on that day which marks the silver jubilee, this being the 25th function of its kind. Reservations have been made for eight special trains, each of 12 cars, and twenty public service buses. In ad-

dition more than 2,500 are expected to drive to the shore resort in their own automobiles.

"WEEKLY UNDERWRITER" ALMANAC

The "Weekly Underwriter," 80 Maiden Lane, New York, has issued the 1939 "Insurance Almanac," which is an encyclopedia of insurance facts and information. It is one of the most valuable insurance reference books published. It covers the insurance business in a comprehensive way and it deserves to be on the desk of any insurance man who has to seek information regarding insurance organizations, insurance men, companies, etc.

ing personal producer and organizer, has been named manager of the new Corpus Christi agency, with headquarters in the Nixon building. He has been in the business since 1921.

Leslie V. Gentry was appointed manager of the San Angelo agency with headquarters in the San Angelo National Bank building. He has been a leading producer.

Leo A. Moll has been appointed unit manager in San Antonio.

Clinton R. Hamilton has been named unit manager of the Los Angeles agency in charge of the Santa Ana territory by California-Western States Life. He has

been in the business since 1926, and recently was located in Portland, Ore.

Curtis C. Jones is named unit manager of the Oregon agency, with headquarters in Ontario.

Wieting Promoted at Toledo

Harry N. Wieting, Jr., assistant ordinary manager of the Prudential at Toledo, O., for the last 16 months, has been promoted to manager, succeeding Herbert N. Linn, who has been transferred to Prudential's ordinary agency in Pittsburgh as manager. The Toledo office covers 24 counties in northwestern Ohio. Mr. Linn had been manager at

LIFE AGENCY CHANGES

Baggott State Agent of National Life

R. A. Baggott has been appointed state agent of the National Life of Vermont at Seattle. He is a native of Wenatchee, Wash. He attended the University of Washington and has since won distinction for a number of public activities in Seattle, particularly in the Seattle junior chamber of commerce. He is an accomplished musician, organist and choir director at St. Paul's Episcopal Church. For the past two years he was supervisor in the Grant agency of the Penn Mutual at Seattle and he had been with this agency for three years before that. Offices will continue to be at 835 Henry building, Seattle.

Kellam Named at Norwalk

John Kellam has been appointed general agent of the National Life of Vermont at Norwalk, Conn., covering all of Fairfield county, including Bridgeport, Stamford and Greenwich. He is 31 years old, a Virginian by birth, and graduated from Virginia Military Institute in 1930. After holding several positions in the field, including work for the United States government on an expedition to Alaska, he was attracted to life insurance as a more congenial occupation. In 1933, located at Norwalk, "with no capital and but one friend," as an agent for the Penn Mu-

tual, he wrote over \$100,000 the first year and approximately \$500,000 in his third year. In 1938 he passed the million-dollar mark.

While he will operate mainly for the National in Fairfield county, he will operate somewhat in New York City as well as along the Connecticut border in Westchester and Putnam counties of New York state.

Kemp Succeeds Yungman

Connecticut General Life has appointed Hugh Kemp, now assistant manager in Philadelphia as manager in Pittsburgh, succeeding A. T. Yungman. Mr. Yungman will join the Philadelphia agency, where he will assist in estate analysis work and be a member of the home office advisory bureau. Mr. Kemp, an outstanding personal producer, has been with the company since 1921.

California-Western States Makes Texas Appointments

Continuing an expansion program in the southwest by California-Western States Life, Ray P. Cox, vice-president and manager of agencies, announces the appointment of a new group of managers in Texas, and plans actively to enter New Mexico with agency organizations.

T. F. Poynor, organizer and personal producer for several companies since 1919, has been appointed field superintendent, with headquarters at Fort Worth. Frank R. Spaulding has rejoined the company after four years in the appliance business, and has been appointed field superintendent with headquarters at Odessa, Tex.

Reid W. Webb, formerly an outstand-

Purser Named at Providence by Penn Mutual Life

The Penn Mutual Life has appointed Carr R. Purser general agent at Providence, R. I.



CARR R. PURSER

Mr. Purser was born in Charlotte, N. C., and finished his scholastic education at the state university in 1928. After being in the power and automobile business, he joined the Oliver Roddey agency of the Penn Mutual at Charlotte in 1932, as a personal producer.

In February, 1936, Mr. Purser removed to New York City, and connected with the Osborne Bethea Agency of the Penn Mutual. Until October of that year he worked as a producer, and was then given supervisory assignments.

During his stay in New York City Mr. Purser has been prominent in the Life Underwriters Association, serving as chairman of its public speaking committee, and of the constitution and by-laws committee whose draft of a new constitution was adopted in full.

Edwin A. Collett, whom Mr. Purser succeeds, will remain with the agency as a personal producer.

PROGRESSIVE CONSERVATISM

Modern sales tools, modern training methods, supervision and Home Office cooperation bring progressively fine results to INDIANAPOLIS LIFE fieldmen.

All these things are founded upon a solid foundation. Indianapolis Life has been built through more than a third of a century in a substantial conservative manner on tried and tested principles. "Quality, Service and Safety, First" has characterized its record.

Splendid agency opportunities in sections of Indiana, Illinois, Ohio, Texas, Iowa, Michigan, Minnesota and California.

INDIANAPOLIS LIFE INSURANCE COMPANY

A Quality, Legal Reserve, Mutual Company
With Over \$109,000,000 in Force

Edward B. Raub
President

A. H. Kahler
Second Vice-President
Supt. of Agencies

NORTH AMERICAN
REASSURANCE CO.
LAWRENCE M. CATHLES, PRESIDENT

NEW YORK, N.Y.
JOHN STREET

Toledo for three years. Mr. Wieting, who has been with the Prudential for 13 years, was affiliated with the Lakewood, O., Denver, and Columbus offices before going to Toledo.

Mills Named at Lincoln

Loren N. Mills has been appointed district agent of the Provident Mutual Life with offices in the Stuart building, Lincoln, Neb., succeeding the late Herbert E. Owens. Floyd R. Miller of Omaha is general agent for Nebraska. Mr. Mills, formerly in business in Lincoln, has been in life insurance work in Kansas City for several years.

Jelin to Assist Vogel in Newark

William S. Vogel, general agent at Newark, N. J., for the Columbian National Life, has appointed Zola Jelin as associate general agent. Mr. Jelin started in life insurance in 1927 at Salem, Mass., where he remained until 1930 when he went to New York City and joined the Arnold Harmelin agency for the Columbian National Life. In 1935 he was made general agent for the

Postal National Life and about a year later he was advanced to field supervisor.

Travelers Promotes Three

Charles R. Young, assistant life manager of the Travelers Oklahoma City office, has been placed in charge of the Tulsa branch.

Henry G. Gauthier, Kansas City, Mo., has been appointed group assistant under the supervision of the Travelers Detroit and Grand Rapids branch offices. He will make his headquarters in Detroit.

E. Rowland Evans, Des Moines, has been appointed field assistant there.

Kent to Kansas City

Ralph E. Kent, formerly field supervisor of the Frank M. See agency of the New England Mutual at St. Louis, has joined the E. G. Mura agency in Kansas City as supervisor and assistant to Mr. Mura. Jack Crawford, formerly with the Penn Mutual Life, but more recently with the University of Missouri, succeeds Mr. Kent as supervisor of the See agency.

Shift Stull to West Coast Post

New England Mutual, effective Sept. 1, has appointed C. Harvey Stull, general agent at Providence, as general agent at San Francisco, succeeding Oscar C. LeBart. Mr. LeBart, who has resigned his post after 17 years of service, expects to spend several months traveling in Europe.

Mr. Stull, after serving overseas for a year and a half during the war, began a broad business experience which led to the positions of pension and insurance analyst, and later sales manager, with the General Electric Company. In 1933 he followed the example of his father, for many years an agent for New England Mutual, by joining that company's agency force in Connecticut. He immediately showed his ability in original life insurance work, and produced more than a quarter million in a limited territory during his first year.

In 1935, Mr. Stull was appointed New England Mutual's general agent at Providence, and in the first year succeeded in more than doubling the agency's business. Since then his agency has shown a consistent increase each year, regularly exceeding its quota. Always interested and active in association affairs, Mr. Stull was one of the organizers of the Rhode Island Life Underwriters Association, and was elected its first president. He has become well-known in social and business life in Providence, and is vice-president of the Wannamoisett Country Club.

Mozingo to Great American

A. V. Mazingo has been appointed regional manager for north and east Texas by the Great American Life of San Antonio, with offices at 1512 Tower Petroleum building, Dallas. Mr. Mazingo was Jefferson Standard agency organizer and developer for nine years and vice-president and agency director of Volunteer State Life seven years.

Brooks Agency Assistant

Lester J. Brooks has been appointed agency assistant by J. C. Clapp, Des Moines ordinary manager of the Prudential. He will take charge of organization and appointment and training of new agents, succeeding F. W. VanRheenen, who recently took charge of a Sioux City, Ia., branch.

Frederick Sewell has joined the Prouty agency of the Connecticut Mutual Life in Los Angeles as supervisor

Named at Paris, Tex.



EMMETT ROBERTS

Emmett Roberts has been appointed general agent for General American Life at Paris, Tex. He succeeds the late Hoyt Braselton and will occupy the same offices in the First National Bank building. Mr. Roberts has been in the business nine years. From 1932 to 1934 he led the field of American National Life of Galveston, and last year, as district agent for the Praetorians, at Marshall, Tex., he established a personal \$400,000 paid-for record.

of surplus exchange. He received his education at the University of London, Eng. He was with a large Canadian company for five years and was with a public accounting firm for two and one-half years.

A. B. Kelly, Jr., has been appointed district manager of the Lamar Life in Yazoo City, Miss.

The Western Reserve Life has opened a branch office in Austin, Tex., under Manager Robert J. Lyles, with headquarters in 307-8 Scarbrough building.

Byron C. Howes, Jr., son of the Chicago general agent of the Berkshire Life, has joined the Hughes agency of the Massachusetts Mutual Life in Chicago.

Seek Actuarial Pension Basis

Newbold Morris, president New York city council, has asked Governor Lehman of New York and legislative leaders to have the extra session of the legislature pass the Babcock-Seelye bill which would enable cities and towns to place their pension systems on an actuarial basis before July 1, 1940, the date on which all municipal pension systems must become contractual, according to the new amendment to the state constitution.

The bill would prohibit non-actuarial systems from taking new members and bar municipalities from contributing to any such plans.

Abernathy Wins President's Cup

Walter Abernathy, Ottumwa, Ia., general agent, won the president's trophy of the Central Life of Iowa for the first quarter, it was announced by President E. H. Mulock. The cup is awarded each quarter on percentage increases and must be won three times for permanent possession.

Life Insurance As Career

The Institute for Research, 537 South Dearborn street, Chicago, has put out a booklet "Life Insurance as a Career," going into the subject rather thoroughly and pointing out what is ahead for anyone that enters the business.

THE WORLD
OF TOMORROW

THEME of New York's colorful, spectacular, and amazing World's Fair is "The World of Tomorrow" as conceived by art and science. A wondrous prospect indeed, promising much that may well come to pass.

But even in "The World of Tomorrow" the vital need of most Americans will still be financial security, else they will not be privileged to enjoy the comforts and luxuries contrived by art and science.

And, as in Yesterday's World, those most likely to experience such security are they who will follow those paths where only the life underwriter can lead.

LIFE
INSURANCE COMPANY
VIRGINIA

Richmond Established 1871

RECOGNIZED
EVERYWHERE
AS

"One of The Best"

CENTRAL LIFE
ASSURANCE SOCIETY
(MUTUAL)

Home Office
DES MOINES

NEWS OF LIFE ASSOCIATIONS

Falkstein's Four Requisites for Professional Status

Frank B. Falkstein, million dollar producer of the Aetna Life, speaking to the San Antonio Association of Life Underwriters on "The Professional Life Underwriter," designated four things as essential to becoming a professional life underwriter: Study of sales methods, service to the policyholder, advice on taxes for the legitimate avoidance of taxes rather than the evasion of taxes, and development of programming technique.

Through the study of sales methods, he believes the agent may decrease sales resistance and build prestige in the mind of the buyer through a correct presentation. Service to the policyholder he characterized as caring for changing needs after fitting the insurance to needs existing at the time of sales, without doing violence to the needs of a prospect through the desire for a high commission. In connection with tax avoidance, he suggested that the agent know taxes so thoroughly that he can submit his plan to the prospect's lawyer and a C. P. A. without fear, and thus build prestige in the minds of those whom the business man consults on the case. An improved programming technique, he stated, would pay dividends through making the presentation clearer and more appealing to the intelligent client.

As examples of personal service, he suggested the securing of birth certificates for clients, correction of beneficiary provisions where needed changes have been overlooked, and the adjustment of policies to changed situations. In connection with birth certificates, he cited the case of a man who owned \$105,000 of life insurance, including a \$25,000 annuity, with three different birth dates on three policies. As a result of his work in securing a birth certificate he was able to save his client money on his policies and the annuity which took an age three years less than that it carried at first. This, he stated, caused him to sell a \$5,000 retirement income policy.

Lucian T. Jones, Amicable Life, was elected national committeeman, and J. N. Fletcher, Great Southern Life, alternate state committeeman.

Corpus Christi, Tex.—The following officers have been elected: C. W. Ogden, president; Clarence Hertel, vice-president; T. V. Brich, secretary.

Hutchinson, Kan.—O. F. Wright, Northwestern Mutual, was elected president, succeeding John F. Rickart, Northwestern National. L. W. Hoover, Travelers, was named vice-president, and Bert S. Berry, Travelers, renamed secretary-treasurer. R. B. Daniels, Northwestern National, discussed the Diamond Life Bulletins' "Investors Syndicate vs. Cash Value Life Insurance."

Jacksonville, Fla.—H. L. Cooper was elected president; L. R. Nicholas, vice-president; J. H. Randolph, Jr., secretary-treasurer.

San Francisco, Cal.—How and why the California department operates was explained to women members by Mrs. Mae Barr Long, deputy commissioner, followed by a round table discussion, with Mrs. Long answering questions and explaining points brought up.

Oklahoma City—The 1938-39 season was a banner year, with the membership mounting to 190, the largest in its history. The quota assigned by the National association was 176 members.

St. Louis—Frank Vesser, St. Louis manager Reliance Life and immediate past president, was elected national committeeman at the first meeting of the new board of directors. James G. Callahan, manager Metropolitan Life, and retiring president of the Missouri Association of Life Underwriters, was reelected treasurer of the St. Louis association, and E. A. Pickel, Phoenix Mutual Life, was reelected secretary.

J. Atkins Parker, Provident Mutual Life, and Nathan H. Burghelm, Northwestern Mutual Life, were elected to the

board. Fred T. Rensch, association president, announced the appointment of the following committee chairmen: Program, Wellborn Estes, Aetna Life; membership, Mr. Callahan; meetings, Edmund P. Connolly, Penn Mutual Life; by-laws and legislation, George L. Dyer, Jr., Columbian National Life; publicity, Mr. Vesser; business standards, Arch DeBow, New England Mutual Life; education, James C. Greene, General American Life; budget and finance, Walther Dau, Travelers; resolutions, Charles W. Fisher, Kansas City Life; young men's division, Larry McDougall, Mutual Benefit Life.

Chicago—Having reached the point where its membership of nearly 1,800 is the largest of any local life group in the world, the membership committee has adopted a slogan of "1940 members in 1940." This was announced by W. H. Siegmund, agency manager Zimmerman agency, Connecticut Mutual. Mr. Siegmund, his committee, and Miss Joy M. Luidens, executive secretary and President L. M. Buckley, have completed an outline of the program to be followed in attaining that goal.

Portland, Ore.—S. R. Strong, State Mutual Life, has been elected president; J. O. Broleen, Provident Mutual, vice-president; George Knutsen, Mutual Life, secretary.

John N. Adams, Aetna Life, outgoing president, referred to the fact that during the year John Standish had been employed as executive secretary, the publication of the magazine, "Life Light" had been started and the legislative work had been successful.

Wheeling, W. Va.—James R. Paisley, Travelers, was elected president, succeeding T. B. Sweeney, Jr., Equitable Society. C. D. Kelly, Massachusetts Mutual, was elected vice-president, and H. J. Hores, Equitable Society, secretary-treasurer. Three new directors were elected: F. Ashenart, Prudential; John L. Morrow, Metropolitan Life; Paul R. Williams, Equitable Society. A splendid program was presented during the afternoon and evening and included a golf tournament and banquet. The committee arranging the program was composed of O. J. Rizer, chairman; S. C. Brown, Arch H. Bullard, H. J. Hores, Roy E. Naylor, James R. Paisley and John O. Tucker.

Victoria, Tex.—President E. U. Robins has named W. R. Sasse, Great American Life, as national committeeman, and J. L. Barnett, Amicable Life, Yoakum, Tex., as state committeeman. The directors reported that O. D. Douglas of San Antonio had been indorsed for trustee of the National association.

Cedar Rapids, Ia.—E. C. Evans is the new president, R. T. Termohlen, vice-president; V. E. White, secretary, and J. E. Davis, treasurer.

Fort Smith, Ark.—D. L. Brouhard, Metropolitan Life, was elected president; Earl Henderson, Equitable Society, vice-president, and S. E. Smithson, Aetna Life, secretary-treasurer. W. C. Davis had been president, and R. H. Kagy, secretary-treasurer.

Form Mail Order Agency

DES MOINES—The National Insurance Underwriters Association has been granted a charter by the secretary of state to conduct a direct-mail agency for life and casualty business. The agency will handle business from all states except Iowa.

Don Usher is the president of the new organization. He has been in the life insurance business in Des Moines since 1925. D. J. Fairgrave, an attorney, is secretary-counsel. Offices are at 1200 Paramount building, Des Moines.

The new organization has signed contracts with the Mid-Western Casualty and the Webster Life to handle the business. Others will be added shortly.

Real Estate Appraisals

Mortgage officers of banks, insurance companies, trust companies and savings and loan associations from 18 states and Canada are among those enrolled for the case-study and lecture courses in real estate appraisal to be given at the Wharton School of Finance & Commerce of the University of Pennsylvania. The course will run to Aug. 12.

Loan officials of insurance companies

make up 7 percent of the enrollment with heads of real estate firms accounting for 26 percent.

Talks on Sales Personality

W. B. Brown, vice-president Well Machinery & Supply Company of Fort

Worth, talked on "Personality in Selling" before the Fort Worth Life Managers & General Agents Club. New officers were installed.

M. P. Skillman, agent of the Prudential at Red Bank, N. J., has rounded out 25 years of service with the company.

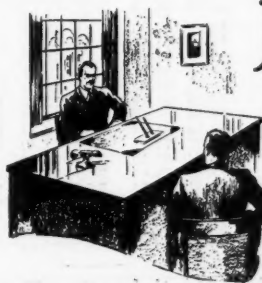
We aim
to broaden our
Settlement Option
service wherever
possible

THE Mutual Benefit LIFE INSURANCE COMPANY

Organized 1845



Newark, N. J.



JUST PLAIN BUSINESS LOGIC

High type, responsible business men, seriously interested in insurance as a profession, might find it profitable to write to W. H. Trentman, Vice-President.

When an Occidental Life salesman offers a policy that's "DIFFERENT" . . . it's logical to anticipate sales. Perfect Protection, an exclusive feature of Occidental policies, gives the assured an income for disability from the first day, IRRESPECTIVE OF CAUSE.

OCCIDENTAL LIFE INSURANCE COMPANY

• LAURENCE F. LEE PRESIDENT •
RALEIGH N. CAROLINA

NEWS ABOUT LIFE POLICIES

By JOHN H. RADER

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem." Published Annually in May and March respectively. PRICE, \$5.00 and \$2.50 respectively.

Canada Life Raises Dividends 10 Percent

For the third successive year the Canada Life has increased its dividend rate. Effective for the year ending June 30, 1940, dividends are increased approximately 10 percent.

A few years ago dividends were reduced considerably in anticipation of possible contingencies, economic or otherwise. Officials state that never in its 92-year history has the Canada Life been more secure and more financially sound, so the upward dividend trend has been resumed. The dividend increases for the three years ending June, 1940, will total \$750,000.

A summary of the dividend changes follows:

For policies issued at rates adopted in May, 1934, the increases are similar to those made a year ago and accordingly are larger at the more advanced ages than at the younger ages.

For annual dividend policies issued at the premium rates in effect prior to May, 1934, the increases are similar to those made a year ago and vary with plan, age and duration.

Special dividends, first introduced in 1935, for policies completing a five-year period, have also been increased and will now be 100 percent of the regular dividend at the end of the five-year period, whereas formerly they were 75 percent of such dividend.

There has been no change in the in-

terest on dividends and proceeds of policies left on deposit with the company, the rate remaining at 3½ percent.

Equitable Issues Modified Two

The new modified 2 whole life of the Equitable Society is designed to overcome the relatively higher initial cost of 3 percent contracts. The low premium during the first two years is comparable to many 3½ percent contracts of similar nature. The dividend which becomes payable at the end of two years, when the premium increases, is approximately equal to the premium increase.

This ultimate premium, which is payable the third and succeeding years, is slightly higher than the regular whole life rate for the age at issue but lower than the whole life rate at one year older than the age at issue. For instance, the regular whole life rate at age 45 is \$39.55 and at age 46, \$41.12. The modified 2 starts at \$34.40 for age 45 and increases to \$40.23 at age 47.

Premiums and illustrative dividends based on current company earnings are shown herewith.

Age	Premium First Year	Two There- after	Cash Value end of Yrs.
15	\$13.57	\$17.74	4.73
16	13.91	18.07	4.77
17	14.19	18.43	4.81
18	14.56	18.79	4.86
19	14.86	19.18	4.90
20	15.27	19.58	4.97
21	15.69	19.99	5.03
22	16.05	20.44	5.08
23	16.50	20.89	5.15
24	16.89	21.38	5.20
25	17.39	21.88	5.27
26	17.93	22.41	5.35
27	18.38	22.97	5.42
28	18.96	23.55	5.51
29	19.46	24.17	5.58
30	20.10	24.82	5.68
31	20.77	25.49	5.79
32	21.36	26.21	5.89
33	22.11	26.96	6.00
34	22.77	27.77	6.02
35	23.60	28.60	6.07
36	24.47	29.48	6.12
37	25.26	30.43	6.17
38	26.23	31.41	6.24
39	27.11	32.47	6.17
40	28.20	33.57	6.13
41	29.36	34.74	6.09
42	30.42	36.00	6.03
43	31.72	37.32	6.01
44	32.93	38.74	5.95
45	34.40	40.23	5.94
46	35.96	41.81	5.93
47	37.43	43.52	5.89
48	39.20	45.32	5.89
49	40.88	47.26	5.85
50	42.89	49.30	5.84
51	45.04	51.47	5.83
52	47.09	53.82	5.76
53	49.53	56.28	5.71
54	51.88	58.95	5.84
55	54.66	61.76	6.01
56	57.63	64.75	6.18
57	60.52	68.00	6.30
58	63.91	71.41	6.47
59	67.24	75.13	6.84
60	71.13	79.03	7.29
61	75.31	83.21	7.78
62	79.42	87.76	8.24
63	84.22	92.55	8.81
64	88.97	97.77	9.35
65	94.49	103.27	10.01

New Participating Rates for Great-West Life

The new rates announced in last week's issue by the Great West Life, effective July 1, do not apply to non-participating contracts or preferred risk or double insurance plans. The revised participating rates and the rates on the

Pave the Way—An accident policy sale is the easiest way to get acquainted with your prospect and pave the way for other lines. For suggestions that sell read *The Accident & Health Review, A-1946 Insurance Exchange, Chicago. Sample 10c.*

new special income at 65 plan (\$5 per month per \$1,000) follow:

Age	O. L. at 65	20 Yr. Life	20 Yr. End.	Life at 65	End. at 65	Spec. Inc. at 65
10	\$13.36	\$20.86	\$45.38	\$13.75	\$15.15	\$13.81
11	13.64	21.24	45.45	14.04	15.51	14.11
12	13.92	21.61	45.50	14.36	15.83	14.43
13	14.22	22.00	45.57	14.69	16.27	14.76
14	14.51	22.40	45.62	15.03	16.68	15.11
15	14.83	22.80	45.68	15.37	17.10	15.45
16	15.16	23.22	45.75	15.75	17.54	15.83
17	15.50	23.65	45.80	16.12	18.01	16.21
18	15.85	24.09	45.88	16.53	18.50	16.62
19	16.21	24.53	45.93	16.95	18.99	17.04
20	16.59	24.99	45.98	17.38	19.53	17.48
21	16.98	25.45	46.04	17.82	20.07	17.92
22	17.39	25.93	46.10	18.31	20.65	18.42
23	17.82	26.41	46.16	18.81	21.26	18.92
24	18.27	26.91	46.22	19.34	21.91	19.46
25	18.73	27.43	46.29	19.88	22.58	20.00
26	19.22	27.97	46.36	20.46	23.29	20.59
27	19.73	28.51	46.44	21.09	24.05	21.23
28	20.27	29.09	46.54	21.75	24.86	21.89
29	20.84	29.69	46.65	22.45	25.72	22.60
30	21.44	30.31	46.78	23.19	26.64	23.35
31	22.08	30.96	46.92	23.98	27.60	24.15
32	22.76	31.64	47.08	24.84	28.64	25.02
33	23.47	32.36	47.28	25.75	29.76	25.94
34	24.24	33.10	47.50	26.72	30.97	26.92
35	25.08	33.88	47.75	27.77	32.25	27.93
36	25.88	34.70	48.03	28.89	33.64	29.11
37	26.77	35.55	48.34	30.09	35.12	30.32
38	27.72	36.45	48.70	31.39	36.73	31.64
39	28.72	37.39	49.09	32.79	38.45	33.05
40	29.77	38.35	49.51	34.29	40.32	34.57
41	30.90	39.38	49.99	35.91	42.35	36.21
42	32.08	40.44	50.52	37.68	44.55	38.00
43	33.34	41.57	51.10	39.61	46.96	39.95
44	34.65	42.74	51.75	41.68	49.57	42.04
45	36.07	43.97	52.45	43.97	52.45	44.36
46	37.55	45.26	53.22	46.47	55.61	47.05
47	39.12	46.61	54.07	49.22	59.12	50.00
48	40.79	48.05	55.00	52.27	63.02	53.29
49	42.56	49.56	56.02	55.67	67.38	56.95
50	44.44	51.15	57.13	59.48	72.29	60.88
51	46.42	52.82	58.33	63.78	77.86	65.32
52	48.53	54.60	59.65	68.67	84.24	70.38
53	50.76	56.48	61.10	74.30	91.62	76.20
54	53.14	58.47	62.67	80.86	100.28	82.99
55	55.66	60.59	64.39	88.63	110.58	91.04
56	58.35	62.84	66.25	.....	.....	.....
57	61.21	65.23	68.28	.....	.....	.....
58	64.25	67.78	70.49	.....	.....	.....
59	67.49	70.50	72.88	.....	.....	.....
60	70.96	73.41	75.49	.....	.....	.....
61	74.65	76.51	78.32	.....	.....	.....
62	78.59	79.84	81.39	.....	.....	.....
63	82.82	83.39	84.71	.....	.....	.....
64	87.36	87.20	88.33	.....	.....	.....
65	92.23	91.30	92.23	.....	.....	.....

Connecticut Mutual Changes

Connecticut Mutual Life has withdrawn its single premium endowments of duration 10-14 years. The cash value of single premium policies may not be left with the company under option before the end of 15 years. The rate of discount allowed on discounted premiums is reduced from 3 to 2 percent. The juvenile supplementary protective contract has been changed, covering to age 25 for the child and without value in case of lapse.

AGENCY NEWS

Koop Moves to Minneapolis

MINNEAPOLIS — Moving its head office from St. Paul to Minneapolis, the W. T. Koop general agency has taken over the entire 24th floor of the Foshay tower. The St. Paul office at 314 Hamm building will be maintained as a service office with S. O. Swenson and Jack Stark in charge.

The Koop company, headed by W. T. Koop, acts as general agent in Minnesota for the Kansas City Life. R. A. Mitchell will supervise the Kansas City Life business.

Serrill Holds Open House

MINNEAPOLIS — Open house was held by J. D. Serrill, Minnesota general agent of the American Mutual Life, who has moved to new and larger quarters on the 13th floor of the Northwestern Bank building. From the home office for the occasion came Agency Vice-President John J. Moriarty, H. S. McConachie, assistant superintendent of agents, and R. B. Reynolds, director of sales service.

H. Allen Nye Makes Gains

The H. Allen Nye (Colorado-Wyoming) agency of Equitable Society, during the first six months of 1939, plussed its paid-for volume of the corresponding period of 1938, by 21.1 percent; and

plussed its paid first-year premiums by 23.4 percent for the same period.

Harrisburg, Pa. Agency Meets

HARRISBURG, PA.—Charles W. Hall, assistant director of agencies Massachusetts Mutual Life, was chief speaker at a meeting of the Harrisburg agency. Agents spoke on organization, educational policies and on special retirement income. C. L. Bitzer, general agent, said his organization is three months ahead of last year in production. Since Mr. Bitzer took over the agency six months ago he has added 25 percent to the sales force.

Campbell Agency Holds School

A school for prospective life agents was held at State park on Petit Jean Mountain near Morrilton by the Arkansas general agency of the Aetna Life. Gordon H. Campbell, general agent, and Foster A. Vineyard, associate general agent, were in charge. Fundamentals of life insurance selling were discussed.

Casey Agency in New Quarters

The northern California agency offices of the Equitable Society are now comfortably located in the new remodeled quarters. For several weeks the agency, managed by M. H. Casey, has been located in part of the old quarters in the California-Commercial Union building, San Francisco. The remodeled offices are on the tenth floor. An innovation is installation of a modern service section to facilitate transactions with policyholders and beneficiaries. Mr. Casey expects to qualify 50 agents to attend the Equitable's 80th anniversary celebration in New York July 25-27. His agency has a personnel of 240 men and women and has jurisdiction over 46 of California's 58 counties and six in Nevada.

NEWS BRIEFS

W. T. Whitehead, manager of the home office agency of the Kansas City Life, has opened new downtown offices at 914 Baltimore avenue. Mr. Whitehead, who assisted in the development and management of the sales research department of the Northwestern National Life, originated and developed the "Life Insurance Administrator," a simplified visual-mechanical plan of programming and conserving life insurance estates.

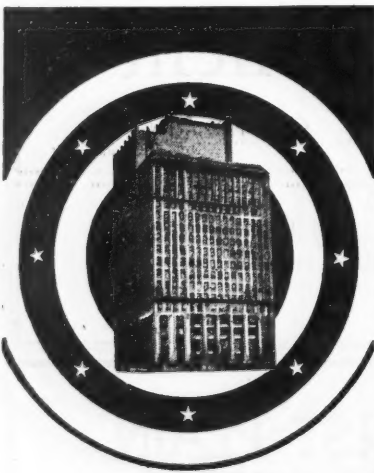
F. Crook Whatley, northern California general agent for the Aetna Life at San Francisco, was host to his agency staff at an outing at the Meadow Club. A record volume of new business in June dedicated to Mr. Whatley as "anniversary month" was celebrated.

The placed business for June of the James D. Graham agency of Great-West Life in Minneapolis exceeded, by a large margin, any month since Mr. Graham assumed the management of that agency in January, 1938. The agency is planning a celebration to suit the occasion. Without any prearranged plan, the agency submitted more business the day after the books closed for June than was paid for in the whole month and 80 percent of it included "cash with app."

Miss Jeannette Smith, librarian at the home office of the New England Mutual Life, and a sister of President G. W. Smith, is vacationing in California. At present she is the guest of General Agent A. E. Payton at Los Angeles, who will accompany her to San Francisco, where she will take in the San Francisco fair, before returning east.

The Indianapolis General Agents & Managers Association staged a golf tournament Monday at the Uhlen Country Club, Frankfort, Ind.

J. Harry Wood, manager of general agencies of the John Hancock Mutual Life, is a visitor in Los Angeles. From there he will go to San Francisco and then to the Pacific Northwest.



General Agency
OPPORTUNITIES
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Central Life
INSURANCE COMPANY
of Illinois

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LEGAL RESERVE FRATERNALS

Elaborate Plans for Big Detroit Event

Estimates of attendance at the Fraternal Week and National Fraternal Congress celebration and meeting at Detroit Aug. 13-18 have been greatly increased by advanced registrations.

The six-day program is the result of a long-cherished dream of President C. L. Biggs of the N. F. C. that the annual meeting could be converted into an international assembly of North American fraternalists. The work of preparation has required seven months, by 130 members of a general committee under the leadership of R. M. Norrington, Gleaners Life; Vice-chairman Forrest Wiswell, Protected Home Circle, and J. B. Baker, Maccabees, devoting a great deal of time. The committee members, chosen by President Biggs to play host to Detroit's visitors, represent Michigan's most active fraternalists.

Prepare N. F. C. Program

Everything possible has been done by committees to make this an outstanding celebration. The annual meeting of the N. F. C. will be no ordinary affair, a splendid program with a number of innovations being in preparation. Because 18 Canadian fraternal societies and 38 societies representing 13 different nationalities will participate, the N. F. C. will sponsor observance of International Fraternal Week Aug. 13-18. This observance is not restricted to N. F. C. members, but is open to the rank and file of all fraternalists. Many societies are furnishing decorations to members who will make the automobile trip to Detroit, and it is anticipated that auto caravans will journey from every state in the Union and every province of Canada.

Meeting of Field Representatives

A third feature being introduced will be a great meeting of field representatives, set for Sunday, Aug. 13. This conference will bring together not only field executives of societies, but the men with the rate books as well, in an effort to promote a better understanding of fraternal life insurance and a better spirit of cooperation between competing field workers. F. B. Mallett, field manager Protected Home Circle, president Fraternal Field Managers Association, will preside. Many societies have pledged large field representations. President A. O. Benz, Aid Association for Lutherans, expects to take 200; President Dora Alexander Talley, Woodmen Circle, is conducting a field campaign with trips to Detroit offered as prizes; and John E. Little, field director, Maccabees, promises a seven months' campaign will take 300 leading producers to Detroit.

Plan to Stress Brotherhood

Monday, Aug. 14, will be the featured day of International Fraternal Week, with emphasis on brotherhood. Many individual societies heretofore have held demonstration days on which they call members to the colors, but a mass unification of fraternal forces on a national scale never before has been attempted. A place in the great demonstration will be open to every fraternalist in uniform, and the assembly probably will find at least the estimated 5,000 participants on the parade grounds at the Michigan state fair.

A gay celebration has been arranged for Monday evening patterned after the famous New Orleans mardi gras. This

will be a costume street dance on the largest downtown boulevard.

Sectional Meetings Tuesday

Sectional meetings of the N. F. C. will be held Tuesday, and the evening devoted to individual society meetings. Formal N. F. C. sessions will open Wednesday. A morning and afternoon meeting will be held at Hotel Statler, convention headquarters. In the evening a banquet will be held there. The annual election will take place Thursday morning. In the afternoon a bridge tea has been scheduled for women and a golf tournament for men. Open houses by the two societies whose home offices are located in Detroit will be held at the Gleaners Temple at 7:30 and the Maccabees building 8:30 p. m.

Installation of officers and adjournment of the convention Friday will wind up the week.

C. L. Biggs Comments on Editorial on SEC Quiz

C. L. Biggs of the Maccabees, Detroit, president of the National Fraternal Congress, has written to THE NATIONAL UNDERWRITER concerning the editorial "Responsibility for 'Overselling'" that appeared in the July 7 edition.

"Often a good reporter will uncover and present a problem; seldom does he present the problem and its solution. When he does the latter, he is a good journalist," Mr. Biggs writes.

"The fine interpretive article on the effect of the SEC attack on high pressure insurance salesmanship is an example of what a writer with a fine, acute mind can do. Here he has analyzed the problem in a well written article, which is thorough but not too detailed—an editorial, but not too opinionated."

"An ordinary writer might have merely written an account, and probably then not so well, of the SEC investigation and its attack on high pressure salesmanship. Your writer has admitted the existence of the problem and extended an intelligent, workable solution to that problem which can be a ready tool in the hands of every insurance salesman."

P. D. Stratton Dies at 87

P. D. Stratton of Akron, O., 87, supreme chaplain of Protected Home Circle, died at his home after a long illness. He was one of the original incorporators of Protected Home Circle Aug. 7, 1886, and was the last surviving officer of that group. He was the first supreme organizer and the first supreme secretary. During the early days of Protected Home Circle Mr. Stratton was the organizer and some of the largest and oldest circles still in existence were organized by him. In 1894 he was elected supreme president and he held the office for seven years, and in 1909 was elected supreme chaplain. Since 1905 he had been state deputy of the large membership of the society in central Ohio.

CHICAGO

BENTON IN CHICAGO FOR PARLEY

Wrayburn Benton, agency secretary of the Massachusetts Mutual Life, was in Chicago this week for a conference on the selection of a new general agent to head the former Dingle agency.

BOWMAN STAGES "100 AND 8" DRIVE

The Marquis Bowman general agency in Chicago of the Bankers Life of Iowa is staging a "100 and 8" drive. The idea is based on the record made by the company's first president, Edward A. Temple, back in 1879 when he sold 54 applications for \$108,000 during the first six months of the company's existence. Agents will seek to qualify for the "100

and 8" Club by equaling either Mr. Temple's application or volume record the last six months of 1939.

SPECIALIZING ON PACKAGE SELLING

The Golden K. Driggs agency of the New York Life in Chicago is specializing on package selling, using a "Can you save 25 cents a day?" approach. Agents are using a special book showing the amounts 25 cents a day will buy at different ages on different forms.

TO BUILD CHICAGO PLANT

C. R. Corcoran, one of the assistants to the agency vice-president of the Manhattan Life, who has located in the general agency in the Insurance Exchange building, Chicago, will remain in the city for some time with the purpose of appointing three or four general agents in the Chicago area. The company has followed this plan successfully in Greater New York and it believes that something of the same nature can be accomplished in Chicago. Mr. Corcoran has been with the Manhattan Life for some time. J. P. Fordyce, vice-president, is head of the agency department.

NEW CHICAGO DIRECTORY OUT

The 1939 edition of the Underwriters Hand-Book of Chicago and Cook

County has come from the press of THE NATIONAL UNDERWRITER. This is an annual reference work of distinction, this being its 26th edition. It gives full information regarding companies, agents and brokers in Chicago and Cook county. It has four major divisions fire, marine, casualty and life. It gives agents and managers for fire and casualty companies, associations and bureaus, branch offices, brokers and their license number. There is a complete directory of agents and companies they represent, directory of all companies operating with their local, special, general agencies, officers and financial standing. It is a complete reference book for a business in Chicago and Cook county.

BATTLE FOR COMPANY LEADERSHIP

Three members of the Stumes & Loeb agency of Penn Mutual Life, Chicago, are battling it out for leadership in the company for the entire country. At present Walter Hiller is leading, having been company leader in February and April as well as May. The others are Felix D. Simon, who was first in January, and F. R. Marks, first in March. In fifth place at the end of five months is Samuel Kahl, also of the Stumes & Loeb agency.

Mr. Hiller is a top-notch producer of long standing. In nine of the 14 years

A LEADER



Throughout the thirty-six years of its existence, the Aid Association for Lutherans has earned a reputation for able, progressive management, and sympathetic understanding of the needs and problems of its certificate-holders. The Association has ever been alert to the modern trend of the times, constantly adjusting itself to meet new needs of protection and new problems of conservation.

INSURANCE IN FORCE.....\$192,187,190.00
ASSETS\$ 29,741,824.86

Paid to members and beneficiaries since organization in death and sick benefits, old-age income, surplus, etc., \$20,877,728.88.

All standard forms of legal reserve life insurance for men, women, and children of Synodical Conference Lutheran churches.

AID ASSOCIATION for LUTHERANS

Appleton, Wis.

Alex. O. Benz, Pres.
Otto C. Rentner, Vice-Pres.

Albert Voelck, Secy.
Wm. H. Zuehlke, Treas.

THE PRAETORIANS

National Headquarters—Praetorian Building

DALLAS, TEXAS

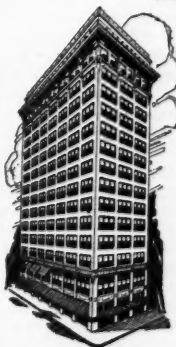
ORGANIZED—1898—OVER FORTY YEARS OF INSURANCE SERVICE

Issues FRATERNAL LEGAL RESERVE LIFE INSURANCE on standard forms, ages 0 to 60. Amounts \$200 to \$20,000.

Operates strictly on the LEGAL RESERVE PLAN. Realizing that it is the LEGAL RESERVE that puts the safety under policies regardless of whether the system is Stock, Mutual or Fraternal.

If it is LEGAL RESERVE, the strength is there.

Pays Seventeen Different Ways



Praetorian Building
Dallas, Texas

PROTECTED HOME CIRCLE

SHARON, PA.

FOUNDED IN 1886

A Legal Reserve Fraternal Insurance Society

S. H. HADLEY Supreme President

L. D. LININGER, Supreme Secretary

SHARON, PA.

THE WOMEN'S BENEFIT ASSOCIATION

Founded 1893

A Legal Reserve Fraternal Benefit Society

Bina West Miller
Supreme President

Frances D. Partridge
Supreme Secretary

Port Huron, Michigan

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HARRY S. TRESSEL

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 10 S. La Salle St., Chicago

Associates
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PENNSYLVANIA

FRANK M. SPEAKMAN CONSULTING ACTUARY

Associates
 Fred E. Swartz, C. P. A.
 E. P. Higgins
 THE BOURSE PHILADELPHIA

he has been with Penn Mutual and in the life business he has qualified as a member of the Million Dollar Round Table. This year he passed the million dollar mark in March and \$705,000 of business paid for in the first six months of this year is in his own company. He has not specialized in any type of policy but writes everything and a great majority of the policies are small. Mr. Simon, who also "grew up" in the agency, is another one who writes all types of policies and is not afraid to write small ones. He has been with the agency since it started in 1924.

Paid for business in the Stumes & Loeb agency is 22 percent ahead of last year, when the first six months of this year are compared with the first six months of last.

Both Mr. Hiller and Mr. Simon are extremely active in association affairs. Mr. Hiller is a C. L. U. and teaches at Northwestern University.

AIDS IN BUSINESS-GETTING PLANS

E. W. Hughes, general agent Massachusetts Mutual, Chicago, spent the week end in Washington, D. C., with the executive committee of the Massachusetts Mutual Agents Association of which he is a member, discussing ways and means of improving the company's business in the second half of 1939.

The Hughes agency is 18 percent ahead of last year in paid for business.

O. R. ASPEGREN, II, SUPERVISOR

Oliver R. Aspegren, II, has been appointed agency supervisor for the R. J. Wiese Northwestern National agency, Chicago. This move brings him from the highly productive Evanston branch which is under the direction of his father, O. R., Sr., who has been a "millionaire" producer and who has written at least one application a week for the past 290 weeks.

O. R., II, has had an excellent record since he became affiliated with the company four years ago, following a thorough training under his father. He has paid for at least \$15,000 of business for 42 consecutive months thus far.

Another son, Clifford, who is leader of a student orchestra now touring Europe, will become a member of the Wiese agency in the fall on his return. All three members of the family, father and two sons, attended Northwestern University and are fraternity brothers. Oliver, Jr., however, graduated from the University of Chicago.

On Thursday Mr. Wiese held a tournament for his force at the Westmoreland Country Club in Wilmette.

SLOAN AGENCY IS AHEAD

H. A. Sloan, agency manager Equitable Society, 120 South La Salle street, Chicago, reports a 14 percent increase in paid for business for the first six months of 1939, as compared to the same period last year. The average size policy is \$4,663. Mr. Sloan has an unusually large group of young college men in his agency. Associated with him are E. W. O'Shaughnessy and C. H. Huston, unit managers, and M. J. Skinner, supervisor.

F. J. Wood, general agent Lincoln National, Chicago, just returned from a two weeks' vacation trip to Ephraim, Wis. On his way back he, with D. B. Hall of the Long Meadow Hunt Club in Winnetka, attended the horse show at Dubuque, Ia. They came back with six ribbons in the hunting and jumping classes, two for first, two for second, a third and a fourth.

Mr. Wood is an enthusiastic huntsman and serves as honorary whip for the Long Meadow Hunt Club. He usually goes hunting three times a week.

Believe in life insurance and the life insurance business.
 Have a method of getting names and plenty of them.

Plan the day's work in advance and keep a record of effort and results.

Study—people, social and economic problems, sales psychology—and play for health's sake.

INDUSTRIAL FIELD NEWS

Family Cannot Sue Under Facility of Payment Clause

The facility of payment clause, commonly found in industrial life policies, constitutes a privilege for the insurance company. It does not, however, impose a duty upon the company and a relative of the assured who might be paid under this clause at the company's option does not have a right to enforce collection at law. Only the executor or administrator of the assured has this right. This was held by the court of appeals of Georgia in the case of Cooler vs. Metropolitan Life and is in line with the general legal doctrine on this point.

Sarah Cooler, wife of the plaintiff, was insured in Metropolitan Life under an industrial contract with the usual facility of payment clause. She went to Florida in 1926 for a temporary stay. Several hurricanes occurred shortly after her arrival, killing many people, a number of whom were never identified. Cooler alleged that he had never heard from his wife since she went to Florida, nor had any of her relatives and that he believed in good faith that she had been killed in one of the hurricanes. He continued to pay premiums on the policy and, seven years after her disappearance, demanded payment from Metropolitan Life under the facility of payment clause.

The court of appeals upheld the lower court in holding for Metropolitan, on the ground that Cooler, since he was making the claim under the facility of payment clause and not as executor or administrator of his wife's estate, had no right to sue under the policy. While the case did not say so specifically, presumably no attempt had been made to probate the estate of Mrs. Cooler.

Life Expectation Increased

A new high point of 61.94 years as the expectation of life at birth for industrial policyholders of the Metropolitan Life was reached in 1938 as the result of the unusually favorable mortality conditions prevailing, according to the company's statistical bulletin. A gain of 15.31 years in the life expectation has been made since 1911-1912. In less than 28 years industrial policyholders have increased their length of life (expectation of life at birth) practically one-third.

Weekly Income Policy Issued

Home Life of Philadelphia has introduced a new policy known as the "seven-seventy special," providing for payment of \$250 at the death of the assured and 52 weekly installments of \$10 each. The purpose is to provide the benefits of cash, plus income life insurance, to those wage earners who are paid weekly and who think in terms of weekly expenditures and who have only

a small margin of income for life insurance. Special weekly premiums have been promulgated.

Metropolitan Birmingham Rally

Agents of the Metropolitan Life in Alabama, Mississippi and Tennessee met in Birmingham. K. C. Ringer, vice-president, addressed the meeting.

Augusta Manager Retires

Daniel J. Rice has retired as district manager of the Metropolitan Life at Augusta, Me., to devote his time to his personal insurance business. Mr. Rice, a native of Augusta, joined the Metropolitan in 1908 and later became assistant manager and traveling superintendent. He served as manager at Newburyport, Mass., supervisor for New England territory, and later manager at Rutland, Vt., and Concord, N. H., before becoming manager in Augusta in 1930.

Fee Counsellors Extending Field

NEW YORK—Fee counsellors in the industrial field continue to attract attention through their numerous radio broadcasts but there is a disturbing amount of activity among the type of consultant who seeks a more opulent class of policyholder. The number of cases where prominent business or professional men having \$100,000 or more of insurance have contracted to pay stiff fees for the privilege of being advised to drop their existing insurance, buy term insurance and do their own investing is surprising in view of the fact that these policyholders are presumably no naive souls but men of considerable ability or they would never have accumulated so substantial an insurance estate.

Industrial policyholders are apparently not the only ones who sign innocent-looking memorandums and wake up later to find they have tied themselves up with an extremely legal and enforceable contract. Perhaps a subsequent change in such an insured's setup has no connection whatever with the advice offered by the consultant. Nevertheless he may find that the language of the memorandum contract he signed was broad enough to include practically any change in his existing insurance. Then he is faced with a lawsuit and the expense of defending it and perhaps losing it, or else paying the fee that is demanded.

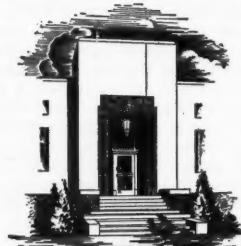
Policyholders who find themselves in this sort of fix usually feel not only chagrined but heartily ashamed of themselves. One man, for example, didn't want his own lawyer to know of his gullibility and retained another attorney to handle his case. He was fortunate enough to win, but even so he had the lawyer's fee to pay.

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Sales Ideas and Suggestions

Formula Quickly Solves a Programming Problem

NEW YORK—Much valuable time is frequently wasted by agents in trying to determine by rule of thumb methods the exact proportions of two or more types of coverage to recommend to a prospect to provide the income that has been decided on. This waste of time is multiplied when it is desired to have one or more alternative plans on hand to present in case the first one proves too much for the prospect to swing. In fact, failure to have an alternative plan ready may cost a sale or at least cause delay since it has frequently been found that one of the alternative plans is what is finally decided on and purchased.

Edwin H. White, attorney and estate planning manager R. H. Keffer agency, Aetna Life, New York City, uses an algebraic formula which can, however, be used by anyone without the slightest knowledge of algebra. The formula is given below in non-algebraic form.

Stepping Income Down

This type of problem arises mainly where the prospect has decided what income he wishes to provide until his children are grown up and what life income (a smaller amount) he wishes to provide thereafter for his widow. The usual plan is to recommend a combination of family income and ordinary life or of family income and retirement income. The question is how much of each form will be needed to produce the desired amount of income until the children are grown up and guaranteed life income becomes the beneficiary's only insurance income.

Suppose a man has enough insurance to provide \$40 a month for the next 10 years. He wants to buy enough additional insurance to provide \$150 a month for his family for the next 10 years and \$80 a month to his widow guaranteed for life. Suppose that \$3.92 a month would be the income for \$1,000 on the life income basis at the beneficiary's present age and \$4.42 a month would be the income per \$1,000 at the beneficiary's age 10 years hence.

Formula for Splitting Coverage

The problem is how to divide the new insurance between family income and, say, ordinary life so that the desired result will be obtained. Obviously, if the entire new coverage were placed on the family income form, the income during the earlier period would be too high whereas if it were all on the ordinary life basis the income in the earlier period would be too low. The exact proportions are determined, according to Mr. White's formula, as follows:

1. Ascertain the difference between the income desired for the earlier period and that which is to be provided thereafter. Since existing insurance provides \$40 a month, \$110 a month is the income needed during the earlier period. From this the life income to be provided in the later period is subtracted. The life income is \$80 a month, leaving a difference of \$30.

2. Ascertain the difference between the family income monthly yield per \$1,000 during the family income period and the yield on the annuity mode beginning at the end of the family income period. The family monthly income is for practically all companies \$10 per \$1,000. Assuming the wife is now age 40, her monthly income per \$1,000 under the annuity mode (20 years and life) would

be \$4.42 10 years hence when she is age 50. The difference, therefore, in this case is \$5.58.

3. Divide the answer obtained in paragraph 1 (\$30) by the answer obtained in paragraph 2 (\$5.58) and the result, 5.376 is the amount of family income, in thousands of dollars, that will be needed to produce the desired income setup. Thus, \$5,376 of family income will be needed.

4. Ascertain the yield per month per \$1,000 on regular insurance settled im-

mediately on the annuity mode at the beneficiary's present age, in this case 40, the yield being \$3.92.

5. Ascertain the difference between the total additional amount needed during the earlier period (\$110), and the amount furnished by the family income policy as determined in paragraph 3, (\$10x5.376, or \$53.76) the result being \$56.24. Divide this figure, (\$56.24) by 3.92, the monthly income per thousand on the annuity mode at the beneficiary's present age, and the result is 14.347 in the number of thousands of dollars of regular insurance needed to complete the setup.

The same principle can be used where it is also desired to provide a certain amount of retirement income to the policyholder. Its application will be described in a later issue.

Life Insurance Helps Democracy

CLEVELAND—Life insurance may play a leading part in preserving democracy, E. Paul Huttinger, agency secretary Penn Mutual, told the Cleveland Life Underwriters Association in an address on "Faith and Action." Dictators will not triumph so long as the middle class can be preserved. Dictators have developed only in countries which have lost their middle class, or had none, he said. Life insurance has proved a most effective instrument for preservation of the middle class, providing for old age and representing the only way most people can provide for their families in case of death. "It definitely encourages thrift and prosperity," he said. "When we sell life insurance, we are doing far more than placing a policy and collecting a premium; we are preserving democracy. For 100 years this institution has been writing social security in America. Social security can not be created by an act of Congress. In contrast to political social security, our in-

stitution can show proof of its actuality and benefits over 100 years."

There are four guiding principles of success for the life underwriter, he said. First, respect for the institution based on facts. Agents do not have to do anything in the business that is not honorable and upright. Second, recognition that the institution is greater than the individual. Third, that agents should perfect themselves as instruments of the institution. Fourth, that agents have needs as imperative as the needs of policyholders; that they need leadership—both in home office and field.

Belief Is Not Enough

"Many people say they believe in life insurance, but belief is not enough. It is faith that counts in this world, because faith is belief in action. If we have faith in life insurance our acts will prove it. We prove our faith in life insurance in two ways, First, by the amount of our own savings that we

deposit in the institution, and, second, by our industry in bringing others under the mantle of protection."

Among guests were Vernon Kroehle, president and R. W. Hoyer, secretary-treasurer, Ohio Association of Life Underwriters; C. J. Bath, president Great Lakes Life; and M. R. Norris, president American Institute of Banking. Many civic leaders also attended.

W. H. Smith, president Cleveland association, presided. Special greeting was accorded the new Great Lakes Life and its president, Cyril Bath. He spoke briefly, noting the high standards in the business.

Charting of Prospect's Needs Helps Cinch Sale

Speaking before the Victoria (Tex.) Association of Life Underwriters, Julius A. Stein, Lincoln National Life, San Antonio, described his use of charts in the interview. Mr. Stein said he has adopted the philosophy of "What can I do for my prospect?" This, he indicated, means the fitting of life insurance to the prospect's needs without regard to the amount of the commission. The problem is to get the message of service to the prospect. He said the motivating stories he employs while presenting the chart are adaptations from stories used by others, these stories being told in a way to fit his own personality. After he tells a story for some time it loses its effectiveness because he makes the telling more or less mechanical, and he finds it advantageous to change back to one which he has used previously.

Uses Consumer Angle

Mr. Stein then illustrated with a blackboard his approach through the consumer angle. Everyone is a consumer, buying food, clothing, paying rent, and paying taxes. This, he points out, calls for money income. Then he lists three sources of money for the prospect and his family: Earned income, derived from personal occupation; investment, and charity. Before naming charity, he pauses and asks the prospect to name the third. Here the prospect finds difficulty, because he does not include himself in his thinking as one of the group which will need charity.

The charting of needs, Mr. Stein states, secures the agreement of the prospect at each point and the analysis of life insurance owned, so that the prospect may realize just what he owns, builds confidence that means prestige not only with the prospect but through him with his associates.

By the time Mr. Stein has reached the end of charting his needs, the prospect has set the amount of life insurance he needs to complete his plan for protection of loved ones, education of children, income of family in case of his removal by death, income to cover a period of permanent disability either through accident, disease, or old age.

Business is Analyzed

Inspector of Agencies Lloyd Lafot of the New York Life at Chicago in charge of the central department finds that 35 percent of the business comes from prospects known less than one year to the agent; 30, one to five years and 10 from five to ten years. In other words, about two-thirds of an agent's business usually comes from people he has known five years or less. On the average Mr. Lafot figures that five interviews will bring one application. To assure success he calls attention to the fact that an agent should have at least two good interviews each day.

Number Puzzle Uncovers Ages

There is a simple but mystifying number-guessing puzzle that can sometimes be used to discover a prospect's age when a direct question might put a damper on the conversation and arouse his dormant sales resistance. Obviously, such a device has to be used with a good deal of judgment as to where it is appropriate, for if its use is attempted under the wrong circumstances it might do more harm than good.

The scheme involves the use of a card containing a number of figures divided into six squares, as shown in the chart below.

The prospect is then asked to indicate which of the squares his age appears in. With this information the agent can instantly tell him what his age is. The system works for any number from 1 to 63 inclusive.

Here is the way it works: The first number in each square is the key number. Thus the figure 1 is the key number in the first square, 2 is the key number for the second, 4 for the third, 8 for the fourth, 16 for the fifth, and 32 for the sixth. The person who is doing the "guessing" merely adds together the

key numbers of the squares in which the number mentally selected by the other person appears. For example, age 35 appears in the first, second, and sixth squares. The key numbers of these squares are 1, 2, and 32, the sum of which is 35. Where one of the key numbers is the one selected, of course, no addition is necessary.

An interesting angle of this stunt is that when a person is merely asked to select any number from 1 to 63 without anything being said about his age, he frequently picks his own age as the number. While this offers a means of getting a prospect's age without his knowing it, it also brings with it the possibility of the prospect's resenting having this information extracted from him in a devious manner. Used forthrightly as a means of guessing the prospect's age, and only under circumstances where there is sufficient friendliness and informality in the interview to make its use appropriate, the stunt is novel enough so that the prospect is more curious about how it works than he is suspicious that it is part of a scheme to further the sale of life insurance.

1	3	5	7	9	11	2	3	6	7	10	11	4	5	6	7	12	13
13	15	17	19	21	23	14	15	18	19	22	23	14	15	20	21	22	23
25	27	29	31	33	35	26	27	30	31	34	35	28	29	30	31	36	37
37	39	41	43	45	47	38	39	42	43	46	47	38	39	44	45	46	47
49	51	53	55	57	59	50	51	54	55	58	59	52	53	54	55	60	61
61	63					62	63					62	63				
8	9	10	11	12	13	16	17	18	19	20	21	32	33	34	35	36	37
14	15	24	25	26	27	22	23	24	25	26	27	38	39	40	41	42	43
28	29	30	31	40	41	28	29	30	31	48	49	44	45	46	47	48	49
42	43	44	45	46	47	50	51	52	53	54	55	50	51	52	53	54	55
56	57	58	59	60	61	56	57	58	59	60	61	56	57	58	59	60	61
62	63					62	63					62	63				

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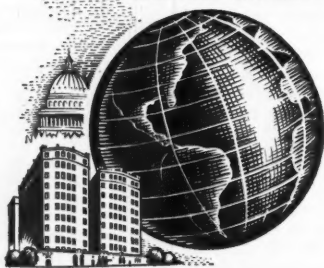
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The MAYFLOWER

WASHINGTON, D. C.

R. L. Pollio, Manager

Public Unworried by TNEC Inquiry

(CONTINUED FROM PAGE 1)

public believes the probe is just a political "fan-fare," giving certain congressmen and New Deal proponents another "torch to carry," that the soundness of life insurance companies is recognized by the public, who feel reasonably assured that the business is being conducted honestly and equitably, and that people are more informed about life insurance than ever before.

Equitable of Iowa Meet in New York

(CONTINUED FROM PAGE 3)

sented three major awards. C. P. Spahn of the Griffin, Ingram & Pfaff Agency, Chicago, was presented as the 1939 member of the hall of honor, the highest honor attainable by a soliciting agent. H. A. Hedges, general agent, Kansas City, Mo., was awarded the "Master Agency Builder" plaque for 1939 in recognition of ranking organization efforts. J. L. Brader, agency manager, San Francisco, was then honored as the winner of the Kirk memorial cup in recognition of his paper submitted in the 1939 Kirk essay contest entitled "Life Insurance for Young Business and Professional Men."

The banquet program was closed with a brief address by President Hubbell who recognized agents with 20 or more years of service by the awarding of Founder's Club medals.

Equitable C. L. U. Breakfast

Thirteen agents and agency heads, all C. L. U.'s, gathered Wednesday morning for the annual Equitable of Iowa C. L. U. breakfast presided over by E. E. Smith, agency secretary. The general convention session which followed was opened by a panel under the leadership of Agency Secretary Smith and participated in by the following field men: A. M. Boex, Cincinnati; R. O. Claypool, Philadelphia; S. L. Ford, St. Louis; E. W. Lemonds, Sioux Falls, and F. L. McCormick, Des Moines. The subject of the discussion was, "Prospecting Today and Tomorrow." This feature, which was one of the highlights of the program, was followed by a carefully prepared discussion of "Answering Objections" presented by A. F. Mason of the Philadelphia agency. "The Agent of Tomorrow," an address by E. E. Cooper, assistant superintendent of agencies, provided a stimulating note to the program at this point. Mr. Cooper was followed by Vice-president Hunter who presented a question and answer feature under the title "Information Please."

Henry S. Nollen's Address

H. S. Nollen, chairman of the board, brought the meeting to a close with an address entitled "Life Insurance and Democracy," which thoughtfully and comprehensively outlined the vital part which the institution of life insurance plays in the modern world.

The Organization Club met Thursday morning, Superintendent of Agencies Fuller presiding. The theme was "The Agency of Tomorrow," and the program was opened by another panel discussion under the leadership of Agency Secretary Smith on "Let's Talk Over Recruiting."

Members of the President's Club met July 14, under the chairmanship of E. E. Cooper for a program consisting entirely of addresses by agents.

Prospect with accident and health. Read *The Accident & Health Review*. \$2 a year. 175 West Jackson Blvd., Chicago.

"Master Agency Builder" Award to Kansas City



HERBERT A. HEDGES

NEW YORK CITY—H. A. Hedges, Kansas City general agent of the Equitable Life of Iowa, was honored as the 1939 master agency builder at the annual banquet of the Production Clubs in convention here.

The "Master Agency Builder" award is a mark of recognition for agency leaders bestowed annually by the Equitable on the agency head who for five consecutive years has paid for \$1,000,000 or more of business and has during that period excelled in matters of organization, production, conservation, average sized policy and economical operation. The award is considered the company's ranking recognition for agency organization and leadership. Mr. Hedges was presented with a bronze wall plaque.

Recognition of Group Cover Value Accelerates Sales

There are a number of reasons why group production is going ahead so rapidly this year when neither ordinary nor industrial, are making outstanding records. L. K. Porritt, editor of the *Travelers* "Protection," said in commenting upon indications that 1939 is promising to be one of the biggest group years in the history of the Travelers.

Employees in concerns which do not have group insurance are asking for it, according to Mr. Porritt. Group insurance is now more than 25 years old, and hundreds of millions have been paid out in benefits. Millions of workers have seen group insurance in action. They have observed that when a friend or neighbor died, the group insurance check was often the only substantial sum of money which he left his family. They have seen what this money meant to his family in the months and years following his death.

Employers have not been blind to the social changes which are taking place in this country, Mr. Porritt said. They've been listening to a lot of talk about public relations. Writers and speakers are emphasizing the fact that public good-will, like charity, begins at home. If employees are enthusiastic about their company that friendly feeling ripples out beyond their ranks into the general public.

There has been a growth of social consciousness. Employers are realizing that the pay envelope does not discharge their entire obligation to the employees. Employers are giving a lot of thought to these matters, and many of them have decided to install group insurance just as soon as business conditions permit. Many of these companies are now experiencing sufficient improvement in business to justify such installation.

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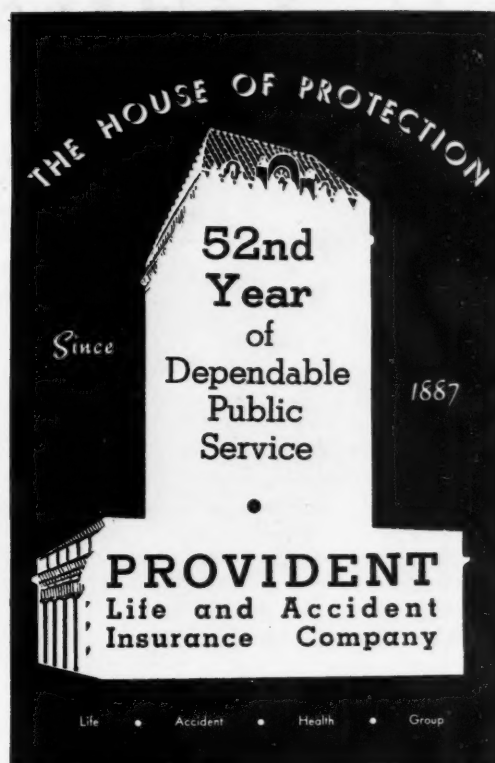
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LIFE VIEWS IN THE NEWS

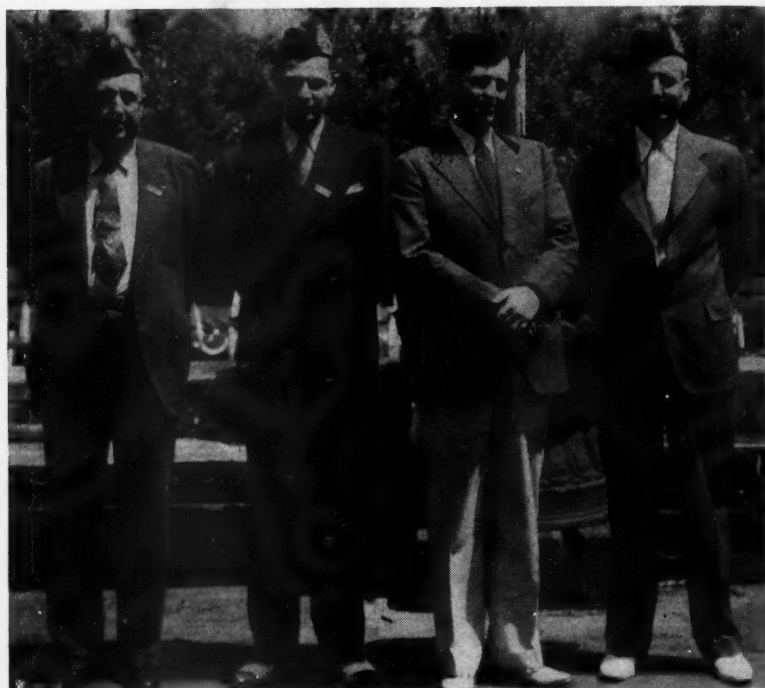


An unusual array of legal talent, present and potential, is gathered here in this interesting family group picture showing four generations of the Chambliss family on Lookout Mountain, at Chattanooga, Tenn.

John H. Chambliss, III, sits in the lap of his great-grandfather, Judge Alexander W. Chambliss, vice-president and a director of the Provident Life & Accident, who is a justice of the Tennessee supreme court. Next to him is his son, John A. Chambliss, I, who is general counsel of the Provident; while standing is the child's father, John A. Chambliss, II, connected with his own father's law firm of Sizer, Chambliss & Kefauver.

Recently a Provident life policy was placed in force for Baby John, making the fourth generation in the Chambliss family to become policyholders in the Provident.

Honorary degrees were conferred during the commencement exercises at Trinity College, Hartford, upon L. Edmund Zacher, president of the Travelers (left), and upon Dr. Edvard Benes, former president of Czechoslovakia who is now at the University of Chicago.



The Pilot Life held its annual convention in New York City. From left to right, are: T. L. Simmons, general agent at Rocky Mount, N. C., who is president of the McAlister Clan, top club for volume and quality business; President Emory C. Green; C. R. Webb, general agent at Shelby, N. C., who is president of the Pilot Club—Convention Club; and Agency Manager J. M. Waddell.



EQUITABLE OF IOWA OFFICIALS AT AGENCY CONVENTION



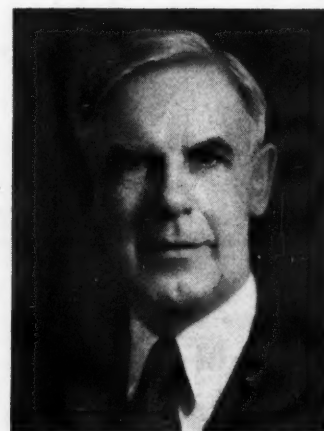
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R. E. FULLER
Agency Superintendent



R. G. HUNTER
Vice-president-Actuary